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Biennial Message

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Gov. Albert W. McIntire

AND

Inaugural Address

*** of ***

Gov. Alva Adams

TO THE

Eleventh General Assembly of the State of Colorado

1897



DENVER, COLORADO
THE SMITH-BROOKS PRINTING CO., STATE PRINTERS
1897

Governor's file.

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BIENNIAL MESSAGE

OF

HIS EXCELLENCY,

ALBERT W. MCINTIRE,
GOVERNOR,

TO THE

ELEVENTH GENERAL ASSEMBLY

OF THE

STATE OF COLORADO.

1895-6.



DENVER, COLORADO
THE SMITH-BROOKS PRINTING CO., STATE PRINTERS
1897

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BIENNIAL MESSAGE

OF

Governor Albert W. McIntire.

Fellow Citizens of the Eleventh General Assembly:

Neither the people of the state nor the state itself have escaped the effect of the long business depression since the panic of 1893. Particularly has this effect been felt during the past two years. The financial crisis mentioned, resulting both in the stagnation of business and industry and the lowering values of the products of agriculture, of the mines and the mill and the factory, and, in fact, of about every commodity except that produced by our gold mines, has not only diminished the incomes of the individual members of the community, but of the state itself. It is true that the phenomenal growth of one of our chief industries, the one last mentioned, that of our gold mines, has in great measure preserved us from that degree of adversity which we had anticipated would become our lot. Another factor in the amelioration of our condition must be considered, namely, the recent improvement in prices of our agricultural products, including cattle and sheep. The people of Colorado,

for many years easily prosperous on account of the development of our natural resources, both of the mine and the field, are little accustomed to the scrimping economies always found necessary by the people of many other regions, so that when "hard times" came, it was not without difficulty that they adjusted themselves to the new conditions, but, by an enforced economy, they found a way to make ends meet where at first it seemed well nigh impossible. In the end, doubtless, they will feel the beneficial effects of this added virtue, and as times become more prosperous through a natural improvement of business conditions, which have been depressed below the normal, assisted toward prosperity by a rapid development, first, of the gold industry, and, later on, through a natural commercial sympathy, of the other industries of the state, they will see the blessing in disguise. So, in state affairs restricted revenues first create confusion and embarrassment, and finally systematic economy. Patience, self-denial and wisdom were necessary to enable the individual to meet the condition confronting him. It is not different with the body politic. Wise and economical management of the financial affairs of the state will unravel the tangle, and good rather than evil be the final result. It is you, the law-making body of the state, who must possess the patience, self-denial and wisdom, in performing your high function in public affairs in behalf of the whole people, that they may not have added to their already sufficient burdens that of an unfair and undue contribution for the maintenance of government. You will not obey the behest of the sovereign people who sent you here clothed, as their representatives, with sovereign power, nor will you be true to your oaths of office, if

you fail to heed the lesson as public servants which the people themselves have been obliged to learn and to practice. You will have many weighty matters to consider, but none of greater importance than the proper caring for and adjustment of the finances of the state. In all good things you will be sympathetically and ably guided and assisted by the wisdom and experience of him whom the people have chosen to be their chief executive for the next two years. He has known intimately during the whole period of his manhood the people and their ways and the growth and development of the state. He has been tried and not found wanting in the same difficult place which he is now chosen again to occupy, and, however trying the duties may be that will soon devolve upon him, the people can confidently expect a careful and successful management of their affairs.

STATE FINANCES.

The assessed valuation of the state steadily increased in amount from 1877, when it was \$43,000,000 until 1893, when it reached \$238,000,000; in 1894, its valuation dropped to \$208,000,000; in 1895, the total was \$202,584,334.10; in 1896, \$206,598,561, making a total in this biennial period of \$409,182,895.10, the lowest assessed valuation of any like period since 1890, resulting in a correspondingly diminished revenue to the state, which, however, has been in a measure relieved by the extraordinary receipts of the secretary of state's office.

The present state administration has lived within its income, besides paying out of the revenues of the present two years some deficiencies of past administrations and will have left a balance in the treasury.

Entering more into detail, the fact is there will remain a cash balance in the treasury from the revenues of the years 1895-96, after all warrants issued for the expenditures of these years have been paid. Few deficiencies have occurred and in each case because the appropriations were not adequate to meet the absolute needs of the departments or institutions in which the deficiencies occurred. In the case of the reformatory it became necessary to either close the institution or incur obligations in excess of the appropriation. The cause of the excess of the needs over the revenue was the large increase of inmates over the number anticipated by the legislature. This deficiency amounted to about \$7,000.

In the case of the scalp bounty deficiency, the appropriation of \$4,000 per annum was totally inadequate to meet the claims presented under the act. This deficiency amounts to \$6,129. The auditor, in this connection, very properly says:

"The honor of the state demands that an appropriation be made to cover this deficiency, and for the future either the law should be repealed or a sufficient amount should be appropriated to pay all legal claims presented."

There are other small deficiencies in the fish and game funds and the secretary of state's printing fund. The total of all the deficiencies is about \$16,000. The total balance remaining after all warrants of 1895-96 have been paid is estimated at about \$30,000, which is sufficient to pay the \$16,000 just mentioned and leave a balance of \$14,000 in the treasury. Out of the revenues for this present biennial period the sum of \$32,262 has been paid for deficiencies in previous periods, making a total of about

\$48,000 used in paying former deficiencies, not of this administration, or remaining in the treasury for other uses, besides meeting all the expenses of this period.

The surplus revenues of 1895-96, after all warrants shall have been paid that have been issued against them, should be transferred to the revenues of 1893-94, for the purpose of taking up the warrants issued during those years. As it seems to me, no better use could be made of this balance than the payment of the warrants of these years which remain unpaid on account of the tremendous and unexpected falling off in the revenues caused by the panic which occurred in those years.

The state auditor estimates the revenues for the years 1897-98, available for the general fund—that is, for general state purposes—at \$1,092,950, which is the total to be derived from the tax of 2.1 mills and from the miscellaneous receipts from other sources. Out of this sum must be met the expenses of the state government which have been estimated by the state auditor at \$1,260,872.70. It would seem that this estimate is less rather than greater than the amount that will be found necessary. While in some items, a reduction may be made, there are others which almost inevitably must be increased. Undoubtedly some savings may be made in certain directions, but these likewise will be almost certainly offset by the demands in other directions which must be met. Most of the items going to make up this last mentioned sum are fixed charges which are not susceptible of diminution.

The expenses must be kept within the income. Therefore, there must be either a cut in expenses or

an increase in revenue for the uses of the state government, and this increase can in all human probability be derived only from the funds furnished by what is called special mill levies, which aggregate 1.9 mills, and are estimated by the auditor to yield \$730,050 in 1897-98. And right here I desire to call attention to the fact that the institutions, the capitol building and interest on capitol building bonds and stock inspection, which are all supported by the special mill levy, in addition to the special appropriations which are annually made to some of them, receive 1.9 mills or nineteen-fortieths of the total revenues of the state derived from taxation, as against twenty-one-fortieths for all departments of the executive, judicial and legislative branches of the government, plus the additional appropriations made for the use of the beneficiaries of the special mill levy, giving to the "institutions" more than half of all the revenues derived from the state tax. Under the present law providing special mill levies, in the event of a failure of the 2.1 mills to provide sufficient revenue to carry on the state government, the money to meet that deficiency must be taken from the funds produced by the special mill levies in the inverse order of the dates of the acts creating them, with the result that the institutions—and for convenience I will class all of the beneficiaries of the special mill tax as institutions—with the result that the institutions prior in date would receive the full amount of their income, even when more than sufficient for their needs, and those latest in order mentioned would be obliged to close their doors.

In 1891, the income of the educational institutions, except the State University, was reduced to

one-sixth mill each by the general assembly, by an act which has been since declared unconstitutional by the snpreme court. As a result, the old special levies of one-fifth mill each were restored, depriving the state government of the difference in revenues, which, in the years 1897-98, would amount to over \$40,000. Moreover, a special fixed mill levy for the maintenance of a state institution, educational or penal, is wrong in principle. Basing the amount of its revenue, not upon its needs, but upon the entirely extraneous and fortuitous circumstance of the amount of property in the state in a given year, and the valuation for assessment purposes, fixed upon the same by the proper officers; and, further, it gives different institutions with widely different needs equal incomes, and does not allow for increased needs at special periods in such institution's development, nor admit of saving when the demands are less; in the first instance, crippling unreasonably the given institution, and in the second discouraging economy, with the consequent demoralizing effect. To me it seems clear that each general assembly should have control of all the revenues of its biennial period, in order that it may appropriate for every governmental and institutional purpose according to the requirement of each during that period, confining and limiting the expenditures of all alike to the minimum when the state's income is contracted, and according all alike the benefit of increased revenues when that income is, in times of prosperity, augmented.

The auditor, in his able report, has called attention to the expression of the honorable, the supreme court, upon this subject:

"The legislative department of the state has for many years made appropriations in excess of the limit

permitted by the state constitution. As a result, confusion and litigation have followed, and the credit of the state has thereby suffered. The plan of levying special taxes for particular purposes adds to, rather than lessens, the difficulty. If the legislature would marshal the assets of the state and estimate the revenue necessary to run the state government, and levy a tax in gross sufficient, with the revenue derived from other sources, to meet all demands upon the state treasury, the matter would be greatly simplified.

“People vs. Board of Equalization, 20 Colo., 220.”

Also the following:

“The fact that in several of the states of this Union it has been found necessary to inhibit the making of continuing appropriations, furnishes an argument against the policy of such laws that will undoubtedly be given due weight by the legislature, but with the policy or expediency, the courts have nothing to do, the power of the legislature to make an appropriation being conceded.

“In re Continuing Appropriations, 18 Colo., 192.”

No attack is meant on education or educational institutions, nor can any antagonism to either, be justly charged, because an effort is made to adjust the management of the state's affairs to the situation in which we find ourselves, nor because an educational institution is required to be conducted economically and within the means to which the constitution limits us, the diminution of which means is due to causes that are general and beyond control.

The arguments urged against the repeal of the special mill levy are: First, that the legislature can not be trusted to care for the educational institutions

of the state, because it will allow the special interests of the members to interfere with legislation looking to the proper maintenance of the institutions. As to the value of this argument, I leave you to judge; but it seems to me a specious argument, because all of the rights and interests of the citizens of the state are, under our system of government, in the hands of the general assembly, even to life and to property, with no other safeguard or restriction than such as are provided by the constitution.

The other remaining argument offered is that if the special mill tax is repealed, educational institutions will of necessity be obliged to lobby their appropriations through the legislative bodies, implying that they should not indulge in lobbying, because it is demoralizing and beneath their dignity. Some of them admit having to lobby to keep what they have got and to get what they can, and I fail to see the difference between the lobbying that they admittedly feel obliged to do and that which they fear under the change they might be compelled to do. They should not lobby; they should not need to lobby. Surely the general assembly has sufficiently at heart the educational interests of this state, whether it be those of the so-called higher education, or those of the common schools. I cannot believe that their just rights will not be accorded by the general assembly to all of the institutions, and I believe, too, that the state government will be by your honorable body accorded the maintenance and support which it must have in order to accord to its citizens that governmental protection without which they pay their taxes in vain.

An obvious remedy for the insufficiency, if it be found to be such, of the revenues of the state for all

purposes can be secured through limiting the levy of taxes for local purposes, particularly the county general revenue, which will result, if properly adjusted, in raising the assessed valuation of the property of the state without an appreciable increase in the total sum of taxes collected from the taxpayer.

The excess of the estimated expenditures in 1897-98 over the revenues for the same period, as estimated by the auditor, amounts to \$167,932, or \$83,961 for each of the two years. If as a result of limiting the levy, as indicated, the assessed valuation of the state shall be increased \$45,000,000 in the year 1897, the resulting revenues to the state from the 2.1 mills which is the part of the 4 mills which goes to maintain the state government, will be sufficient to meet the estimated deficit. The law as it now reads directs that property shall be assessed at its full cash value, without a limit to the levy for general county purposes, and indeed for all purposes, the application of the law so as to assess all property at its full cash value would result in an unreasonable injury to the taxpayer, but with a proper fixed limit to all levies, then there can be no better, more equitable or more satisfactory basis of assessment than the full cash value. Whenever the assessor fixes the value of property at some other value than its actual value, inequalities, inequitable and oppressive on some and unduly favorable to others, must necessarily result. It gives an opportunity for favoritism, resulting in oppression to those least able to endure it, and partial escape from taxation on the part of those who should bear their full share of the burden.

The state government, during the present period, has been economically administered. It is probably

true that, outside of the salaries and expenses of the three branches of the government, which are fixed by the constitution and statutes, some saving could be made in the general contingent fund from which has been turned back into the treasury \$1,795.76, although this is not certain, because it might be necessary to offer rewards for fugitives from justice which would consume more than that amount, and there is opportunity for having a more economical adjustment of the salaries in the auditor's office which turned back \$500; possibly in the attorney general's office, and say \$5,000 in the secretary of state's office; also some \$1,200 in the land office. The saving by the abolishment of the board of capitol managers would not aid the situation, although it would result in a slightly earlier payment of the capitol warrants. The introduction of industrial employment at the penitentiary and at the reformatory, as elsewhere recommended in this message, would relieve the state's revenues of an increasing proportion of the cost of those institutions, although the results would not be felt for some months. From some, or all of these sources, or through the economical methods suggested, the additional revenues to prevent the deficit indicated must be derived, certainly, at least, until an adequate, economical revision of the laws controlling revenues and expenses is secured. Too much stress can not be laid upon the necessity and duty devolving upon you of confining appropriations to the limit set by the revenues. It is as much the duty of the general assembly to keep within the revenue in making appropriations as it is of the state auditor to keep within the appropriations and the revenues to meet them, in the issuance of warrants. A failure

in the past to observe this fundamental rule has been a large factor in causing the issue of excess warrants, and has resulted in causing a stigma to be cast upon the business name of the state.

REVISION OF REVENUE LAWS.

The general assembly's attention is earnestly called to the condition of the revenue laws. A revision of them, and new laws, in the direction of economical administration of affairs are exceedingly desirable. It is difficult to reconcile the inconsistencies in these acts, and a general revision, looking to the total elimination of some expenses and the lessening of others, in order that the revenues may have less drain upon them in the direction of unnecessary outlays and uneconomical expenditure.

A commission of three, in the judgment of the executive, should be provided, to be appointed by the governor, composed of men having knowledge of public affairs, and especially the financial affairs of the state. This commission to report, at the next session of the legislature, such revision and such repeals and enactments as may seem desirable for uniformity and the greater economy of the financial administration.

As the law now stands concerning the revenues, there is practically no check on the county treasurer in the matter of the collection and payment of the state taxes. The state has no direct means of knowing whether it is receiving its revenues or not.

Tax sales are made in different counties without regard to uniformity as to time.

There is a conspicuous lack of uniformity in the salaries of the subordinate officers in the various departments of the state. For instance, the deputy

auditor receives the same pay as does the auditor himself, who receives \$2,500. The superintendent of insurance, who is a deputy of the auditor, receives \$3,000.

Clerks for like class of service should receive like pay. This is conspicuously not the case. Stenographers should have uniform salaries. These are only instances.

The commission suggested should examine into the expenditures by the state of whatever nature, and among other things, whether the number of judicial districts is too great, and suggest where compacting might properly be brought about. Also, into the expenses of the various state institutions, educational and penal, suggesting, whenever needed, such reforms as might seem desirable and economical.

The four mills provided for the cost of maintaining the state government and the various institutions is sufficient, but an economical readjustment is necessary to prevent the crippling of either the state government or the state institutions. But in order that this may properly be done, the revenue laws and those concerning the expenditure of money for whatever purpose, must be made uniform and brought into such proper adjustment and interrelation as will meet the situation. Such a commission, having time to investigate into the requirements within our own state and into the revenue and financial systems of other states, could produce results that would be of lasting benefit to the financial affairs of the state. The cost of such a commission, whose compensation should be suitable, would be an expenditure wisely made and in the interest of economy.

The enactment of laws controlling the finances of the state, both on the revenue and the expenditure sides, is one of the most important duties of the legislative body, and one that should be so well considered as to bring about a symmetrical, uniform and consistent system. The patch work which results from the passing of independent and often inconsistent bills is to the detriment of legislation and the economical administration of the financial affairs of the state.

COLLECTION OF POLL TAX.

The number of citizens subject to poll tax can not be far from 110,000, exemptions allowed for. The military poll tax is one dollar. The military poll tax assessed in 1896 was \$58,940. The amount collected the same year was \$32,000. It follows that more than twice as many escape the tax as pay it. This is clearly unjust and should be remedied, and steps taken for the uniform collection of the tax.

I suggest for your consideration that a receipt for the given year, showing payment of the military poll tax, should be a pre-requisite to voting at all elections. This method is adopted in many states and is found effective. A uniform collection of this tax should place in the military fund at least \$90,000 a year without hardship or injustice to any one. Of this amount \$40,000 should be set aside for the ordinary expenses of the national guard, for which the present military fund, amounting to about \$32,000 per annum, is used. The remainder should be devoted, first, to the payment of the interest upon the present outstanding bonds issued on account of the Cripple Creek insurrection, and for the payment of the interest upon the bonds which must be issued

to meet the expenses of the present military movement at Leadville; second, to meet the extraordinary expenses incident to the use of troops for any emergency that may arise; and, third, to the creation of a sinking fund to meet any issue of bonds for military purposes. In this way both the ordinary and extraordinary expense of the state troops will be met at any time without additional burden upon the taxpayers.

INSURANCE DEPARTMENT.

The funds in the insurance department should be transferred to the general revenue fund at the close of each month instead of lying idle in the treasury until the end of the fiscal year, as now. Practically all the money received by that department is paid in during or before March in each year, and is not transferred to the general revenue fund of the state until December 1, thus losing to the state the interest for nine months on the warrants which should have been paid at the earlier date mentioned, by these funds.

The salaries and expenses of the insurance department should be paid by specific appropriation, instead of being paid within the department. They should be paid as those of any other departments, and those having charge of the insurance department should not be allowed to pay themselves salaries and expenses any more than should this privilege be accorded other departments. If the law is amended in this respect it will be necessary to make an adequate appropriation for the maintenance of this department from the general revenue fund. This department is an important one and should remain, in a sense, independent for the convenience of the public and the better administration of the affairs intrusted

to it. It yielded under the present law in 1896, \$88,837.27, and out of that paid a total expense, including salaries, furnishing, printing, stationery and postage of \$10,064.86, leaving a net revenue to the state for the one year of 1896 of \$78,772.41.

CONSTITUTIONAL AMENDMENT.

Twice a constitutional amendment to meet outstanding obligations of the state of Colorado has been submitted to the people for their suffrages. At both elections the people failed to adopt the amendment, although at the last election the number of votes cast for the amendment was a large increase over the vote cast for the amendment at the previous election. The total vote, both for and against the amendment, was 34.3 per cent. of the total vote cast for the state ticket at the same time. I am loth to believe that the people of the state of Colorado desire to repudiate a just debt. I am of the opinion that a misapprehension on the part of the voters of the nature of the indebtedness to be funded was the cause of the defeating of the amendment. The warrants to be taken up by the bonds, if voted, were issued for just debts, such, for instance, as the payment of salaries of judges of the supreme court and of district courts and of state officers, and for goods furnished to the state. It is a serious matter to refuse to meet an obligation given for service rendered and goods received and consumed, and believing the people of this state to be an honest people, I can not account for the loss of this amendment, except upon the ground of misapprehension and apathy. It will be your solemn duty to devise ways and means for meeting in some way this outstanding indebtedness, because the state ought not to rest under the imputation of repudiation.

SALARIES OF STATE OFFICERS.

The salary of the state auditor is \$2,500; of the attorney general, secretary of state, and superintendent of public instruction, \$3,000; and of the state treasurer, \$6,000.

There is no reason why these important officers should not receive the same emolument. The attorney general should receive no less pay than a district judge who serves for six years.

The qualifications for the performance of the functions of the state auditor are of as important a nature as those needed in the state treasurer. The only reason that is assigned for the increase of the salary of the state treasurer is, that he must be in some way compensated for the amount of bond which he must give, which is one million dollars. Such a bond should not be required. It is given for the purpose of insuring the state against the loss of moneys in the hands of the treasurer. It would seem wiser to constitute the governor, treasurer and auditor a committee to select banks to be used as depositories for the state funds; the banks to give satisfactory and ample security, and to pay interest; the treasurer then to be free from liability for loss of funds so deposited, and the bond from him should be reduced to say \$100,000, and his salary be made the same as that of the auditor and other heads of departments.

The effect of a million dollar bond is not salutary. It is difficult for the treasurer to be a free agent, either in the placing of the funds, or in making appointments, when required to give such bond.

Four thousand dollars would seem to be a proper salary for each of the officers named.

SECRETARY OF STATE.

The report of the secretary of state contains valuable suggestions concerning matters which come directly under his official observation, and is entitled to careful perusal.

This office has been a very important one to the state's revenues during the past eighteen months, having turned into the state treasury not far from a quarter of a million of dollars in that period.

The office has been conducted in a systematic and able manner, and the convenience of the public has been studiously considered.

There is no reason in the opinion of the executive, why the books of the secretary of state should not be examined as are the books of the treasurer, and the land office. I, therefore, recommend such legislation as will cause such examination at regular intervals.

STATE TREASURER.

The treasurer's report is full and suggestive. His management of his office, particularly in regard to the investment in warrants, producing to the various funds six per cent. per annum, instead of placing the money in the banks at four per cent. or less, has not only resulted in an increase of the revenues of the investment funds, but has had the effect of keeping the state warrants at par, which is satisfactory alike to those dealing with the state and those taking pride in upholding the credit of the state's paper.

For the recommendations of the honorable treasurer, I refer you to his report, which is one of the important documents, for your consideration. These recommendations ought to be of material assistance to you in framing legislation for his department.

STATE AUDITOR.

I transmit the biennial report of the auditor of state, covering the period from December 1, 1894, to November 30, 1896, inclusive. This report shows in a comprehensive way the revenues of the state, whence derived, the expenditures, for what and how much, the assessed valuation of the state, the assessed valuation of corporate property assessed by the state board of equalization, the various appropriations made in 1895, the purpose and disposition of the amounts appropriated, together with an abstract of the county reports; also, the estimated floating debt of the state, the estimated expenditures for the fiscal years 1897-98, and the estimated general revenue income fund for these same years, and in general is full of interesting data to those desiring information concerning the finances and financial condition of the state. A careful study of this report can not fail to furnish food for thought to those having control over and the responsibility of regulating the financial affairs of the state and providing ways and means for the conduct of the state government in all its branches. In addition to the tabulated report, the honorable auditor of state has succinctly and clearly stated some of his views upon the financial situation. I commend this, as well, to your attention.

ATTORNEY GENERAL.

The report of the honorable attorney general is herewith transmitted, with the suggestion, which is doubtless unnecessary, that you give it careful consideration. The matters contained are of a character to make mere comment difficult.

SUPERINTENDENT OF PUBLIC INSTRUCTION.

I have not seen the report of the State Normal School, which, I believe, is made to the state superintendent of schools, nor the report of the state superintendent of public instruction, which has reached this office January 4, too late to be read or even hastily examined, which I regret the more that, in my opinion, the chief educational institution of the state is the common school, whether one considers the high school or the country district school.

The possession of a correct and progressive system of public schools is of the gravest importance to the welfare of the state; the education of the great body of citizens must be received in the public schools. While the institutions for higher education in every grade, from commercial college to post-graduate class, are training some seventeen hundred, the public schools of the state afford all the educational facilities that can be reached by more than sixty-two thousand of the rising generation, who must soon assume the duties and responsibilities of citizenship.

The training of this great body of children is a serious matter. The common school is the foundation of our system of government, and the cornerstone of our civilization.

I am glad to learn that our public school system is in a flourishing condition.

SUPREME COURT RECOMMENDATIONS.

I herewith transmit five several bills prepared by the honorable judges of the supreme court for the correction of certain defects in the laws of the state in obedience to section 27 of article VI. of the state constitution, and by them to me transmitted,

together with certain resolutions passed at a meeting composed of seven district judges and one county judge, and by them reported to the judges of the supreme court, who in turn transmitted them to the executive.

I recommend the passage of the bills transmitted and the consideration of the resolutions indicated.

STATE LAND BOARD.

The policy of the present state land board differs from that of the two preceding boards in some respects, particularly concerning the sale of lands.

The present board has deemed it wise to sell lands to actual settlers, chiefly, for two reasons. One, because of the necessity of securing water upon the lands before all of the water shall have been taken by owners of other lands, in which event the state lands would have value only for pasturage purposes. Second, because such sales would result in the settling up of the agricultural regions, resulting in a development of those sections, and the payment to the state of taxes.

Before the irrigation law was definitely declared by our supreme court the impression prevailed generally, and apparently in the general assembly, that the mere construction of a ditch carried with it a water right, and that a contract between the state and some canal company would provide water for lands of the state without the application of water to the lands. Under such a view, it might be held that land would necessarily become more valuable in the future because of the development of the state, or of the regions in which the lands of the state are situated, and, therefore, it might seem the part of wisdom to hold the lands; but the state and school

lands must necessarily be held to compliance with the law, the same as private lands, with the result that the state and school lands would, if held by the state, be valuable for pasturage only.

The selling of state lands in large bodies to corporations, or for speculative purposes, has been avoided by the present board. Some lands have been taken back from companies which have bought them; in every instance, after an equitable settlement.

For details concerning sales, releases, receipts and disbursements, the report of the register of the land office is available.

BOARD OF CAPITOL MANAGERS.

The work of this board is so nearly completed that it can be brought to a conclusion without the expense of keeping the board at its present number; but if the present board shall be abolished, the act should not take effect for six months after its passage, to allow for the completion of contracts and other necessary business.

It is due to the gentlemen who have from time to time constituted this board to refer to the fact that this capitol has been constructed without a suspicion of jobbery, and at a minimum cost for the result produced. While it is true that some changes have been found necessary, they were due to defects in the original plan adopted by the legislature, and not to the management of this board.

The contracts have been carefully let, and always to the lowest bidder, and the board has steadily required the contractors to perform their contracts in full measure.

This costly and magnificent building can not, however, be neglected, either in its completion or in its after maintenance.

I would recommend legislation constituting a commission, consisting of the governor, attorney general, secretary of state and auditor, and one additional commissioner, the last mentioned of whom shall be named either by the governor or by the four state officers mentioned; all to serve without pay except the additional commissioner, whose duty it shall be to have special charge of the building, to finish the construction, and to hire employees. Or that a commission be provided for, consisting of the governor, attorney general, secretary of state, treasurer and auditor, who shall select a commissioner or superintendent of the building, who shall have charge of the capitol building as indicated above. He should receive a proper salary.

The report of this board is full; calls attention to the marble work and the unfinished condition of it, and gives as reason that the eminently proper requirement made by act of the tenth general assembly, approved March 30, 1895, that only Colorado marble should be used in the interior finish of the building, has practically caused the delay.

The opening up of the quarries under adverse conditions has been more slowly accomplished than was anticipated, but the work has been done in good faith and with due diligence. At this time, as I am informed, the quarries are developed and capable of furnishing marble, not only for the capitol, but for any other use within the state or abroad. An industry has been developed, which in time will be worth more to the state than the total cost of the capitol.

Through this enterprise, thus fostered by the state, quarries of both white and variegated marbles, of most perfect qualities, have been developed in Pueblo and Gunnison counties, and by the conspicuous location in the state's capitol building attention is widely called to the beauty and availability of Colorado marbles.

A part of the funds that were intended originally to be expended upon marbles was, for the purpose of advancing the work in the capitol, and particularly because of the delay in exploiting the marble quarries, used in other ways. This amount should be restored to the marble furnishing fund, in order that now, as speedily as possible, the full quota of marble adornments may be supplied. The use of Colorado marble in the building not only beautifies it, but helps to advance an important industry.

STATE BOARD OF PARDONS.

An act approved April 1, 1895, amended section 1 of "An act to create a board of pardons," approved March 21, 1893, so that the state board of pardons, consisting of four members, became independent of the board of charities and corrections.

The board appointed by the executive has materially aided the executive in the consideration of applications for pardon. The report of the secretary of the board shows that a total of 332 applications were heard and passed upon by the board, resulting in fifty-four recommendations for pardon; six for conditional pardon; fifteen for commutation, and four for respite.

The members of the board gave freely of their time, so that the accumulated docket might be cleared, with the result that for more than a year all

applications ready for hearing are regularly considered at each monthly meeting. It is unreasonable that such arduous duties should be performed without compensation. I, therefore, recommend that a small salary be paid the members of the board. After the experience of the past two years, I am clearly of the opinion that each executive should select all of the members of the board, which deals with matters so directly a part of the executive functions, and of so grave and important a character.

STATE BOARD OF HEALTH.

This board, which is of prime importance because of the nature of its functions, is increasing its influence and effectiveness. One of its principal objects is the suppression of diseases, contagious and epidemic, securing vital statistics, and the prosecution for the general good of those maintaining nuisances or violating the laws concerning contagious diseases.

For meeting the necessary expenses of this board there should be an appropriation of at least \$4,000 per annum.

The health conditions are doubly important to this state: First, for the direct safety of the people. Second, because many parts of the state are rightfully regarded as health resorts.

STATE VETERINARY SANITARY BOARD—STATE VETERINARY SURGEON.

Your attention is called to the report of the veterinary sanitary board and the state veterinary surgeon, who have in a very efficient manner performed the duties devolving upon them, although they have been very seriously hampered for want of funds.

The report of the very efficient secretary of this board, who is also the state veterinary surgeon, is entitled to consideration. The efforts made by this board and the state veterinary surgeon to keep out diseased stock, both cattle and sheep, have been eminently successful. The maintenance of the quarantine particularly against diseased foreign sheep has been satisfactory and complete, and has only been accomplished by wise and prompt vigilance.

Such appropriation as can be made for maintaining and increasing the efficiency of this board in the important field of work it has in charge should be made.

STATE BOARD OF HORTICULTURE.

The state board of horticulture, on account of the importance of the industry affected, should be maintained in a suitable manner. The board, and particularly the secretary of it, have devoted their time and energies to their work, relying upon the legislature to make an appropriation which will cover the salary and expenses incurred. Few either of your honorable body or of our citizens generally realize the importance and extent of the fruit industry, and the importance to that industry of the board of horticulture.

I recommend that such part of the necessary expenses and salary as have been incurred in the years 1895 and 1896 be paid by appropriation.

STOCK INSPECTION.

The report of the board of stock inspection commissioners shows that 1,952 head of strays have been taken by the inspectors, from the sale of which \$47,924.76 has been received, and \$45,335.64 paid to the owners.

STATE BOARD OF MEDICAL EXAMINERS.

The secretary of this board recommends that the act be so amended as to allow members their legitimate expenses incurred in attending meetings, and that the ten-year clause be stricken from the medical practice act.

STATE UNIVERSITY.

The tenth biennial report of the regents of the University of Colorado shows the estimated total number of students in the university and preparatory school to be 600. The total number in 1891-92 was 169. In the university proper the total number estimated for the present academic year is 340; in 1891-92, 66. It is obvious that the chief educational institution of the state has grown rapidly in numbers. The advance in educational quality and standing is even more marked than that in the number of students attending. "The University of Colorado," to quote from *Minerva*, the German year book of the educational world, "ranks among the first eleven American universities, and the first five state universities."

It is gratifying to note that the students from this institution may enter the most exacting of American universities upon certificate of examination passed in the same grade.

The total pay-roll of the state university amounts to \$45,678.28 per annum.

The total disbursements between October 1, 1894, and October 1, 1896, amount to \$132,500.48. After making proper reductions, the maintenance expense is, roughly, about \$90 per annum per student. Deducting the preparatory school, about \$170 annual cost per student for the university proper.

The total number of graduates from the university is 175, not including 199 from the preparatory school. The figures for a more complete statement are not at hand.

SCHOOL OF MINES.

The school of mines has increased in attendance of students since the last report was filed, from 131 to 161. The running expenses of the school for the two years amount to \$70,831.77, or an average of \$2,950 per month, compared with \$2,515 per month for the two years ending with the last report; hence the increase in running expenses was 17 per cent., while the increase in attendance was 23 per cent. I quote from the report of the secretary. An expense to the state per student of about \$240 per annum.

This is a technical school of high standing, both at home and abroad, and is an institution of which the state can justly be proud. The management of it is painstaking, economical and able, and the reputation it bears is well earned.

STATE AGRICULTURAL COLLEGE.

As near as the executive can determine from the report of the agricultural college, the annual cost of this institution is \$83,000, of which \$43,000 is furnished by the United States government. The total number of students is 290, the average for the year 1896 being 275. This total includes, for the year 1896, 126 students in the college proper, 80 in the commercial college, 26 classified as irregular, 41 sub-freshmen and 17 in the preparatory class. For the purpose of ascertaining the cost of maintenance per pupil, the amount contributed by the United States government is properly included. After deducting

\$17,000, which seems to be the amount expended in the experimental stations, which would leave \$66,000, of which \$40,000 is paid by the state, the cost per pupil, including all of those in the college proper, and the other students, is \$240 per school year. The greatest number of students graduated at this college was in 1895, the number being thirteen. The next highest number was in 1896, the number being twelve. The total number since the opening of the college in 1880 is seventy-eight, an average of six and one-half for each year since 1884, the first possible year of graduation.

It would seem that the expenditures made at this college are out of all proportion to the benefits received.

STATE NORMAL SCHOOL.

The total number of students, male and female, in the normal department, 419; in the model school, 165, and in the kindergarten, 72.

The total expenditures for the year 1896, \$36,457.20.

Counting the whole number of students, the average per capita is \$55.50 per annum, or taking only those in the normal department, the per capita per annum is less than \$90, allowing no part of the expenses for these years of the model school and the kindergarten.

This is a rapidly growing school and connected as it is with the public school system, intended to provide the training and education particularly required for the proper performance of the important and difficult work of the teacher of the public school, is entitled to an adequate support.

HISTORICAL SOCIETY.

The State Historical and Natural History Society is an institution of growing importance. It contains the best collection of relics of the cliff dwellers in existence; several hundred specimens of the fauna of the state; manuscripts and documents relating to the state's early history; and a collection of books and pamphlets, besides many other things of historical interest and value.

The rooms of the society have been opened to the public each day since last August, and have been visited by thousands, but the most interesting feature of the usefulness of this society rests in the fact that the pupils of the public schools have been receiving real benefit from excellent lectures on natural history and archaeology.

A small appropriation should be made for the purpose of paying the curator a living salary and to enable the society to purchase such specimens as are needed to complete the collection of natural history; to secure the valuable fossils that now go to eastern museums; to procure from pioneers and others historical data, and to publish in a small way such papers as are usually issued by similar societies in other cities.

SOLDIERS' AND SAILORS' HOME.

The report of the president of the soldiers' and sailors' home commission, containing the various reports by law required to be made to him, is herewith transmitted. It shows the home to be in a satisfactory condition, and to have been managed by the board and their subordinates in an economical

manner, and that the inmates who appeal so strongly to the patriotic sympathy of their fellow citizens are considerably cared for.

The old soldiers are entitled to the gratitude of the people, and when incapacitated to make their way in the world by reason of age or an impaired constitution, resulting from the hardships of patriotic service, should receive the best possible maintenance from their fellow citizens who live under the protection of the institutions which their valor and their self-sacrifice made permanent.

HOME FOR DEPENDENT CHILDREN.

The tenth general assembly established a home for dependent children, which has been in successful operation for about a year and a half. Although cramped for means during the latter portion of this period, exceedingly satisfactory results have been attained, as can be gathered from a reading of the excellent report of the superintendent. This institution should receive the attention which its real importance demands. It not only appeals to the sympathy because the beneficiaries are homeless, and of so tender an age as to render them helpless, but it appeals to wisdom and common sense, because the state by caring for them at that time, furnishing the proper maintenance and training, will relieve itself of a greater burden in the future, because of the diminution in the criminal ranks which will result.

The management by the board and the present superintendent has been cautious, humane, and economical; and although the most rigid economy must be practiced by the present general assembly, in order that the revenues may meet the expenses, nevertheless, I recommend that a sufficient appropri-

ation be granted the Home for Dependent Children, to meet its needs, because there is no institution of the state which will better repay its cost, either from a humane or economical standpoint.

THE COLORADO SCHOOL FOR THE DEAF AND THE BLIND.

This school has been so conducted during these two years as to have no deficit. Its work is worthy of all praise and is a credit to the state.

Besides \$90,000 for maintenance, the trustees ask for an appropriation of \$13,380 for an electric plant, for a gymnasium especially for the blind, for musical instruments, school appliances, machinery for industrial building, machinery for laundry, grading and painting and insurance.

The number in this school is increasing, and the salaries paid to teachers, who perform the most difficult of duties and must be and are capable, are very low compared with those paid teachers in the other educational institutions of the state.

The cost of maintenance in the last two years was about \$88,000 in addition to the appropriation for the deficit of the previous two years.

The health of this school is not as good as it ought to be, and this seems to be due directly to bad management of the medical officer. The cost per capita is about \$296, and the institution is managed with a fair degree of economy.

INSANE ASYLUM.

The average daily population of the insane asylum during the past two years has been 386. According to the report of the superintendent, the per diem

cost per capita for 1895, exclusive of improvements and repairs, was 43.6 cents, and for 1896, 38.8 cents, not allowing for the fruits and vegetables used, which were raised in the asylum garden. Including improvements and repairs, the cost per capita per diem is about three cents additional, certainly a very low rate per diem. It was found that the appropriation for the new building, made by the last general assembly, was inadequate to finish the structure. The governor and attorney general directed the completion and issued \$1,627.15 in certificates of indebtedness, deeming it more economical to make this disposition of the matter than to allow the deterioration which would have resulted from exposure to the weather and to lose the use of the building, for which there was urgent need, another two years.

Owing to the class of patients cared for at this institution, there is always imminent danger of a fire breaking out somewhere that would probably mean a total loss of buildings to the state. I would recommend, therefore, that immediate steps be taken to have all buildings fully insured. They have been without insurance for the past two years.

It is the duty of the state to make proper provision for the care of the insane. To do so demands that every rational means should be employed for their cure, as well as their care. It must not be forgotten that insane people are sick people; and to provide only a place where they may be shut up like so many criminals, without pleasant occupation, out-of-door exercise and the like, as has been and is the custom at the Pueblo institution, is injurious to the inmates, and certainly not creditable to the state. Many changes must be brought about to place this institu-

tion on such a plane as to make it adequate for the needs of Colorado's unfortunate mentally sick. To this end a liberal appropriation is urgently needed. Provision for 100 women patients must be made, and for that purpose two cottages, constructed on the latest approved plan, for the care of such patients, should be built. Great care should be taken when deciding what that plan should be; the new building being as notable a failure, in regard to ventilation and modern arrangements, as the old ones.

An additional number of attendants should be provided, to enable the management to allow patients able to do so, to spend as much time as possible out of doors. To keep these patients shut up—actually imprisoned—during all the bright days of the year, summer and winter alike, is to inflict upon them a punishment that is not only detrimental to them mentally, morally and physically, but not justifiable on the part of the state, in its treatment of its unfortunate wards. To this end more land should be purchased, if there is not now sufficient, as a part of the asylum estate, in order that gardening may become a part of the means used to employ patients healthfully and provide fresh fruits and vegetables for the institution.

An excellent medical staff has been chosen to attend the patients, but the commissioners deem a small hospital, containing fifteen beds, a necessity, where patients suffering from acute diseases and surgical cases may be properly cared for. Whether this is better than a room or ward in each building, I am at a loss to decide.

Some means for proper ventilation for the old buildings should be provided. This matter calls for

immediate attention, for it is impossible for human beings to be housed in such an atmosphere as greeted me at each visit, without suffering very materially thereby.

Colorado should care for its insane in accordance with the views and methods of this enlightened age, and a change in system and some additional funds are both necessary to accomplish the much needed result.

PENITENTIARY.

The management of this penal institution has been economical, humane and eminently satisfactory. The expense per capita of the prison population has been reduced 10.7 per cent., being 36.08 cents per diem. The cost of maintenance for the biennial period of 1893-94 was \$207,189.76, to which must be added a deficit incurred amounting to \$12,553.71. For the present like period, the cost of maintenance was \$196,192.53, of which \$169,579.14 came from appropriation. This sum has, under careful, economical and business-like management, been sufficient to conduct the institution without a deficit, although the average daily population has increased 5.65 per cent., and the earnings have fallen off very materially, owing to the decreased demand for the limited class of articles produced, consisting mainly or entirely of lime and brick and stone. The decrease in cost has been \$32.26 per day, or \$23,551 for the two years. The cost per diem per man, for provisions has been 9.7 cents.

Although the penitentiary has cost less to conduct under the present management, nevertheless, the welfare of the prisoners has been fully regarded, and the food, clothing and care fully up to the stand-

ard. The saving has been made through careful buying, strict economy in the use of the articles bought, better prices obtained because of prompt payment by the state for goods received, and the lower prices which generally prevail; but the chief saving has resulted from the thorough business management of the warden.

It must be borne in mind that the penitentiary is unfortunately a growing institution, and that the increased population for the next two years will require a correspondingly increased appropriation. Moreover, the price of many staples has advanced within a recent period. The proper keeping up of the plant must be considered and provision made for it.

I desire to call your thoughtful attention to the full, concise and very able report of the warden made to the commissioners, and by them transmitted to the executive. His compact, yet thorough and lucid treatment of the matters which concern the institution under his control, entitles this report to your careful consideration, and that of all interested in penal institutions.

I wish to recommend for your consideration the remarks of the warden on the employment of convicts while in confinement and the harsh conditions that exist for them after their discharge.

In the opinion of the present executive, a radical and prompt reform is needed in legislation concerning the management of the penitentiary in the matter of employment of prisoners. As at present conducted, in this respect, the penitentiary is a burden upon the state's revenues of more than \$100,000 per annum, with the certainty of a steady increase of cost for the maintenance of some 650 prisoners in

practical idleness, to the serious detriment of the prisoners themselves, physically, mentally and morally.

Among the causes leading to crime, a principal one is the lack of training to work; that is, to make the continuous effort necessary to gain a livelihood. To this class the penitentiary should take the place of the early training not received in this direction. A life of enforced idleness in the penitentiary for a considerable period inevitably demoralizes even the industrious, and unfits even those formerly used to work, for the labor needed to make a living. Moreover, it is a hardship on other grounds to keep prisoners idle, and injurious to discipline and to reform. The benefit of employment, in the way of health alone, physical, mental and moral, is lost under the conditions now prevailing. It is true that some work is done; the difficulty is to find work to go around in order that the prisoners may have even a small amount of occupation, and to save them from close confinement in their cells. Men are driven to desperation by the weariness of idleness.

Men cannot reform in idleness. Aside from the question of cost to the state, which the state may regard, if the legislature choose, as immaterial, or not of sufficient importance to bring about a reform, there are other features which must in justice and in humanity be regarded as of grave importance.

One of the most trying duties of the executive is the consideration of applications for pardon, and one of the arguments most strongly appealing to the sympathy in such cases is the destitution of wife or aged mother or children, or of those who were dependent, before his conviction, upon the convict, who

during his incarceration being totally deprived of his support, must live in poverty, and often at the public expense, while the convict is maintained in idleness at the expense of the state. The convict must not be pardoned because of sympathy for those dependent upon him, for he must pay the penalty of his crime, but the dependent innocent should not be included by way of revenge in his punishment, if there is any way to avoid it.

Again, what to do with the discharged convict is a serious question. He leaves the penitentiary with a stigma upon him; he has paid the penalty for his crime, whether justly or unjustly. He is at a great disadvantage in endeavoring to gain employment. Even when someone takes an interest in him it is not easy to start him anew, even though he may be fully reformed. Relying upon his own resources, he must pass through a trying ordeal when liberated. He has the \$5 given him by the state and the brand of a felon for his sole capital to commence life. Unless fortune favors him it is not difficult to imagine the \$5 exhausted before employment is obtained. What can he do? Well, what he usually does is to begin his life of crime over again, and return to the penitentiary, again to be supported at public cost. A reasonable sum of money would aid materially toward finding employment, keep him in the right way, if he desires to lead a proper life, and save the cost of his future maintenance to the state.

To have the potential energy of so many men steadily going to waste in the penitentiary, at so much cost to the state, to those dependent upon the convict, and to the convict himself, is certainly a mistake which ought not to be longer persisted in. The

remedy is to apply this now wasted energy to the production of articles of commercial value. The objection made is that convict labor would thereby come into competition with free labor, to the detriment of the latter. If this be true, and the injury to free labor serious, then it is an objection which ought to be taken into account, but in the judgment of the executive, industrial production in the penitentiary of the state of Colorado would not come into competition with free labor, nor if it did, would it be injurious to it, except, perhaps, in an infinitesimal degree. The warden suggests a boot and shoe factory. This industry could be carried on within the walls of the prison and would not necessitate any additional guard service, which is a serious obstacle in the way of outside employment of convict labor. There is no manufacturing of this sort in the state. The market for this product is supplied from other states and largely by convict labor in penitentiaries. Our citizens help to make a market for convict labor in prisons not our own, while they maintain our own prisoners in idleness, who, if they manufactured boots and shoes, would only be coming into competition with the convicts of other prisons. But be this as it may, the competition of less than 500 prisoners can not, to an appreciable extent, affect the labor market. The total number of men who constitute the labor market, as it is termed, of this state, can not be very far below 100,000. The total number whose labor could be said to come into competition with the labor of the number just suggested, in view of the other necessary work which must be done at the penitentiary, could not exceed 400, and it must be borne in mind that these same men competed, to

some extent, at least, in the labor market before they became inmates of the penitentiary, and are competitors after they are discharged. It can not be seriously said that an injury could result to free labor from the industrial employment of so small a number, and certainly the claims of humanity in behalf of these poor outcasts and those dependent upon them are entitled to consideration, even if the taxpayers be entitled to none. A part of the convicts could and ought to be employed, as suggested by the commissioners and the warden, in farm labor, although, of course, to like extent the product thus gained would come in competition with that of farms throughout the state and would be no more or no less injurious to the farm employee than to the industrial employee in the scheme just mentioned. No scheme of reform of the convict or for his welfare, in any way, can amount to anything until he shall have acquired the habit of work and is saved from the habit of idleness. The cost of an industrial plant at the penitentiary need not be great, and will immediately begin a saving to the state vastly greater.

I am informed that Colorado is one of two states that do not manufacture marketable goods in prison. Many states derive a profit annually from the labor of their convicts. Kansas thus obtained about \$180,000 in the past year. New York, from Sing Sing prison alone, received \$144,000 in 1895. In Massachusetts, according to the last report available, the convicts yielded \$201,918.78 during one term, in making brushes, harness, shoes, trunks, etc. During the period of statehood the Colorado penitentiary has cost the taxpayers \$1,904,524.82. This does not include the cost of other penal institutions.

The amount which the convict would earn, under an industrial system of employment, could be used, first, for the reimbursement of the state for the cost of his maintenance and retention; second, for the support of those dependent upon him, and third, for the purpose of accumulating means to sustain himself after his discharge. To me it seems wiser and more humane, after the state has been recouped for the expense of maintaining its prison, that the surplus, if any, earned by the convict should be held in trust for his own use after his discharge, or by his direction, or indeed by proper regulation, paid over to dependent near relatives in need.

The health of the penitentiary is something remarkable. During the period under contemplation, eight have died, out of an average total number of 636, and an actual total of 1,145.

There are some repairs necessary to keep up the plant at the penitentiary, which the commissioners include in their report.

The warden urgently suggests that the execution of criminals sentenced to death shall be at the hands of the sheriff of the county in which the prisoner is condemned to death, using the apparatus provided for that purpose at the state penitentiary. There is no good reason why the execution of murderers should fall upon the warden, merely because it takes place at the penitentiary.

COLORADO STATE REFORMATORY.

In spite of an economical administration by a board composed of the same men who conduct the penitentiary, the reformatory at Buena Vista is an expensive institution, the average cost per diem per

capita being \$1.19, as against \$0.3638 at the penitentiary, more than three times as great.

There is a large increase in the number of inmates of the reformatory in the last few months, and the cell house finished in September, 1895, is now fully occupied. If the number of inmates increases in proportion in the next two years, the cell requirements will be at least fifty more than the provision for the same. An additional cell house is absolutely needed, and other facilities, such as a dining room and kitchen, a school room, text books and the like.

For details of the requirements of the institution I respectfully refer to report of the warden, which is clear and full.

It is impossible to expect to reform prisoners where the physical conditions are such as they were at this institution prior to the erection of a cell house, and as they still are in part. Proper facilities are absolutely essential for carrying out the work contemplated by the establishment of the reformatory. A mere house of detention is not a reformatory.

The institution is to be congratulated upon the fact that the sanitary conditions have been improved, as evidenced by the health reports of the physician.

In this institution the appropriation made two years ago was insufficient to meet the expenses, although the most rigid and careful economy has been practiced.

If this institution is to be continued, in view of the increasing number, and the evil results following upon their presence, some means should be found to prevent hardened criminals from being sent to the reformatory, as is now too frequently the case. A

few of this class demoralize the other inmates and affect adversely the efforts at reform.

A satisfactory remedy for the evil mentioned could be found through sentencing all who are convicted of crime to the penitentiary, suspending sentence upon those who are intended to be sent to the reformatory, during good behavior, or by authority being given to the warden or commissioners of the penitentiary, upon the approval of the governor, to transfer to the reformatory the class of prisoners who are proper inmates for that institution.

The number of convicts now confined here is about 100, the number sentenced having speedily increased since the completion of the cell house, and the improvement in the management.

The cost per capita per diem has been somewhat above \$1 until within the last few months. This great relative cost is due to the fact that there is a certain amount of expense to keep up the institution, regardless of the number of those confined. A warden, deputy warden, and people enough to perform certain duties are necessary, however small the number of prisoners. The present number of prisoners could be doubled without adding more than twenty-five per cent. to the cost of maintenance; the only additional expense being the actual cost of food and clothing.

The remarks concerning the employment of prisoners at the penitentiary are equally applicable to the reformatory. Indeed, on account of the youth of those who are sent here, the importance of inculcating habits of industry and furnishing the facilities for industrial training is even graver.

The warden of the reformatory is entitled to commendation for his careful management and his earnest continuance of the economical, humane and effective policy of his lamented predecessor.

STATE INDUSTRIAL SCHOOL FOR BOYS.

The eighth biennial report of the board of control of the State Industrial School for Boys, made to the superintendent of public instruction, shows the conduct of that institution during the period treated of to have been economical, and such as to bring about an improvement in the physical condition of the institution, and to have begun, at least, to produce better results from training and discipline of persons under their care. This report shows that much of the improvement in the condition is due to the systematic, intelligent and conscientious work of the present superintendent. The board of control of this institution urges the necessity of an increased appropriation, giving their reasons therefor. The present management has kept strictly within the appropriation, and its statement concerning especially necessary demands of the school is entitled to consideration, particularly in reference to the improvements required for sanitary purposes, and for meeting the industrial and educational needs of the inmates.

The sending by the courts of criminals who should be incarcerated at the reformatory or penitentiary to this institution, which is intended for the reform of boys who have been guilty of minor offenses, is an evil which should not be tolerated. As stated by the board in their report, the boys in their charge are young and impressionable, and to allow to mingle with them old and obdurate offenders, is to

defeat the very purpose of the institution itself. In some way the attention of committing magistrates and judicial officers should be called to the fact that imposition of this sort is too frequent. Discipline not harsh, but firm, and favorable conditions for the industrial and educational training are essential to the good conduct of this institution, and the state is to be congratulated that in these respects marked improvement has taken place under the present management.

STATE HOME AND INDUSTRIAL SCHOOL FOR GIRLS.

The State Home and Industrial School for Girls, although a state institution by law, has been conducted, since June, 1895, without cost to the state. In spite of the fact that no appropriation was made for its maintenance by the tenth general assembly, the board appointed by the executive, by subscription and otherwise, secured sufficient funds to initiate this work. Under trying conditions it has continued to conduct the same with benefit to the state.

The report of the superintendent shows that the average daily attendance has been 53.6, and the cost per capita 36.13 cents, the monthly expense account averaging \$590.72. These figures indicate economical management.

The board of control is ordered to make its report directly to the general assembly, and doubtless has complied with this requirement.

ADJUTANT GENERAL.

The report of the adjutant general is herewith transmitted. It is entitled to, and doubtless will receive, your careful consideration. Mere comment is inadequate, and I shall only touch briefly upon some salient points.

The national guard of Colorado has been put upon a substantial and soldierly footing, by careful selection of its members, and by careful attention to the equipment and drill from the very beginning of this administration. By this course, when called upon, the state troops have been enabled to perform the most trying service in the most satisfactory manner. Efficiency of the guard is a matter of the gravest importance to the people of the state. It is not by accident that the national guard of Colorado has become conspicuous during recent service at Leadville, for soldierly bearing, prompt obedience, patient endurance, courage and self-control. Through the inculcation of military discipline by the experienced brigadier general commanding, the troops, citizens though they be, have performed their arduous task steadily and as soldiers should; have exercised self-control under trying conditions, and have shrunk from the performance of no duty, but have cheerfully obeyed orders.

The condition of the guard as to personnel, drill and equipment is due to the able management of the adjutant general of the state. The same officer, acting as quartermaster general, by his untiring efforts, has provided for the troops under his care so as to meet the inclemency of the weather at a great altitude, without suffering and, indeed, in comfort; and, further, has provided all those things rendered necessary by a campaign in a severe climate in the winter season, at a minimum cost to the state, and, besides, by the negotiation of the certificates of indebtedness has secured the ready money with which to pay the troops promptly and regularly in cash, and not only has he done this, which has never before been done

in the history of the national guard of any state in the Union, but he has paid in the same way all of the expenses incurred, so that those from whom goods were purchased have received 100 cents on the dollar for the paper they took from the state for goods furnished and services rendered, thus not only maintaining the credit of the state, but enabling the state to purchase its supplies at wholesale prices, with whatever discount is given for cash.

Under the efficient surgeon general of the state, the health condition of the troops at Leadville has been phenomenally good. In a region where the physical powers are put to the severest test, the number of those unfit for service, by reason of ill health, from time to time, has ranged from 1 to 2 per cent., and these, as a rule, only temporarily indisposed.

The total cost, up to January 1, 1897, including every item of every character, is \$162,741.31, of this sum \$132,989.64 is fixed. The balance, \$29,751.67, is subject to adjustment and reduction; this reduction, I am informed, may amount to \$10,000 after the military board has acted upon the bills making up this amount.

At the first call for troops the entire national guard went to Leadville. The maximum number at first, including those enlisted at that time, was about 1,300. At this date, January 5, 1897, the total number there comprises 371, officers and men.

For the first seven days the total cost was \$3,500 per day; for the next thirteen days, \$2,500 per day; the next thirty-one days, \$1,500 per day; the next thirty days, \$1,250 per day; the next twenty-one days, up to January 1, 1897, \$1,035.30 per day. This does not allow for the deductions to be made as above in-

dicated. I recommend that the changes in the military laws of the state, suggested in the adjutant general's report, be made. The law concerning the national guard should be symmetrical and adequate; as it now stands it is confusing, incomplete, unmilitary and inconsistent within itself.

I cannot close the consideration of this department without adding a word to express my appreciation of the high quality of the national guard of Colorado. It is not only a credit to the state, but is so conspicuous for its efficiency, its discipline, its courage and its endurance, that I, as its commander-in-chief, am proud of it and its service, and as governor of the state, representing the whole people, take this opportunity of expressing my pride and gratitude.

STATE ENGINEER.

The state engineer's report, which is worthy your careful reading, conveys full information concerning work of that office.

I call your attention to the information and recommendations concerning irrigation matters. The state engineer is, in an incomplete and nominal way, at the head of the irrigation system of the state. He should be the actual and direct head of this system, with the irrigation superintendents under his direction, and through them the water commissioners of the various districts.

He recommends that the superintendents of irrigation should not be selected by the county commissioners, but by the governor, their qualifications being passed upon first by the state engineer. In my opinion, the state engineer should, at least, recommend the appointment and removal of superintend-

ents of irrigation and water commissioners to the governor. He should have control over the actions of both these classes of officers, and should audit their bills for compensation and expense accounts, and upon his audit and approval these bills should be required by law to be allowed by the respective county commissioners, the state engineer indicating the respective amounts to be paid by the various counties in the water divisions and water districts.

A clear statutory definition of the interrelation and powers and duties of the officials who have the execution of the irrigation laws and the regulation and enforcement of the water decrees in their charge, should be made. These officials have a difficult and onerous task to perform and should not be interested in any land irrigated by the waters of their respective districts. A residence in the district should not be required on the part of the water commissioner. He should be free, impartial and independent as far as possible and should feel that a fearless performance of his duty would not seriously interfere with the prompt receipt of the pay to which he is entitled. A competent and unbiased and impartial commissioner is very necessary to the welfare of such of our farm districts as are subject from time to time to shortage of water in the irrigation season. Neither should they be deterred in the performance of their duties by fear of vexatious litigation intended only to deter the irrigation officer from the proper performance of his duties.

An important industry and the welfare of many of our citizens are concerned in the proper administration of the irrigation laws and the proper enforcement of the decrees distributing water to the parties entitled thereto.

The state engineer and the superintendents and the water commissioners in their respective places should constitute an irrigation department, rendered systematic and effective by proper legislation. Some legislation more directly authorizing this irrigation department through the proper officer to limit the supply of water for irrigation purposes to the beneficial need is required. This would not be in contravention of the decrees, and would be a beneficial change from the present custom of allowing the full amount of water decreed to the given ditch or canal, although not necessary for the sustenance of growing crops. The business of the state engineer's department, which is one of great importance and has constant direct business contact with a large portion of the community, should not be impeded for lack of necessary funds. The exact duties devolving upon it can not fully be performed without a larger appropriation than it received during the last biennial period.

BUREAU OF MINES.

The tenth general assembly, obeying an express mandate of the constitution, established the bureau of mines and made certain provision for the maintenance of the office of its commissioner.

At the time of the ratification of the constitution, the mining industry, with its known possibilities, was easily first. Since that time other industries have seemed to threaten its pre-eminence. And yet the thoughtful citizen will recognize that the growth and success of every other industrial pursuit carried on within the state has been and is still dependent upon the prosperous condition of mining affairs.

In no slight degree the product of our mines builds our towns and cities, induces the construction

and furnishes profitable business to our railroads, and thus creates, directly as well as indirectly, a home market for our agricultural and manufacturing product.

We are so situated that our agricultural surplus meets with fierce competition in its natural markets beyond the borders of the state. The generally conceded excellence of this product in all its varieties is, in most instances, the single inducement to its purchase. This excellence of product in these times of deplorable and wide-spread industrial depression, makes of such of it as seeks a market elsewhere than in our midst articles of luxury, and articles of luxury are not at this time greatly in demand.

Thus it has happened again, as in our earlier history, that the farmer and manufacturer are compelled to look almost exclusively at home for their market.

Anything which will call attention to our mining resources, and thus aid in their development; promulgate truthful and authoritative information for the use of those desiring to make investment in such industry, is calculated to benefit all our industries and promote the welfare of the community.

It is false economy to retard the development of our resources by failing to provide for so important a means of growth as this can be made.

The three essential features of the bureau of mines, as at present organized, are:

First—The investigation of the causes of the loss of life in the prosecution of mining, and the suggestion of means of avoidance or the promulgation of rules for the prevention thereof.

By reference to the report of the commissioner of mines, herewith transmitted, and to which your attention is particularly directed for information in detail, it will be seen that governmental supervision of the safety of the miner has been too long neglected. From a statistical comparison of the casualty rate, fatal and otherwise, obtaining in Colorado and in foreign mining localities, where the state exercises intelligent control over private mining operations, the result of the long neglect to do so here will be both apparent and most regrettable.

Second—The economic survey and proper advertising of our mineral-producing localities, both established and in embryo; the inquiry into improved methods of mining and metallurgy, and the publication in convenient form of the information thus obtained.

The general importance of this feature of the bureau's conduct to the widest growth and development of the material interests of the state is so self-evident as to render comment unnecessary.

Third—The acquiring and systematic display of specimens illustrative of the state's mineral resources and, incidentally, its industrial opportunities.

The collection there displayed, in its incipency as it is, constitutes a constantly extending advertisement of our mineral resources and an incentive to the investment of capital. The method of local classification being pursued, affords any visitor to the department intending to investigate the inducements held out by any particular mining camp or locality a ready and effective opportunity to do so. A wise fostering of this department will redound to the advantage of the business interests of the whole community.

It is especially important that the information in possession of the commissioner of mines should be made available for the use of those seeking for official data from which to gain knowledge of our mineral resources, and it is false economy to restrict the publication of this information to 250 copies of the report. Provision should be made for the printing of several thousand copies, and of bulletins containing rules and regulations looking to the protection of life and limb of those engaged in mining occupations, and for a sufficient number of inspectors to enforce the same and perform the duties properly devolving on this bureau.

In this connection I most heartily recommend that your honorable body memorialize the congress of the United States to establish a government department of mines, with a commissioner who shall be a member of the cabinet of the president.

BUREAU OF IMMIGRATION.

In the inaugural address to the tenth general assembly, the executive called attention to the fact that there was an act on the statute books creating a bureau of immigration, and to the further fact that no appropriation had been made to conduct the bureau, suggesting that a suitable appropriation be made or the act repealed, and that the present executive would not make an appointment under the act unless an appropriation were made.

On December 3, 1896, a commissioner of this bureau was appointed, because it seemed desirable to urge the advisability of putting this bureau at this time upon its feet. The resources and opportunities for investment of this state, should be presented in official form, if advantage is to be taken of the influx

of immigration and capital which are seeking homes and investment. Many inquiries are made for information, and unauthorized or private information is not desired or effective. The indications point out clearly that great benefits would result to the state in its development if a properly conducted immigration bureau were in active operation. I again suggest, although aware of the straitened condition of the state's finances, that a suitable appropriation be made, believing this to be for the state proper business enterprise, and one which will unquestionably advance the interests of our citizens and return in taxation in the end vastly more than the expenses incurred.

GAME WARDEN AND FISH COMMISSIONER.

The destruction of game has been difficult to prevent. The smallness of the appropriation for that purpose, the impression on the part of the local authorities in the various counties containing large numbers of game, that there was no duty devolving upon them in the premises, and the lack of a strong public sentiment in support of the game laws in those same sections, combined to favor the destruction of game.

In the late fall of 1895, a large number of Ute Indians, under the impression which was shared by the interior department and the officers of the United States army, that the treaties with the Indians prevented the enforcement of the game laws of this state where the Indians were concerned, left their reservation in Utah and slaughtered a large amount of game in Rio Blanco and Routt counties before the efforts of the game warden and the commandant of Fort Duchesne were able to remove them.

So-called skin hunters—white men—took advantage of the disturbed condition of those regions, and contributed to the destruction of game, particularly deer.

During the fall of 1896, the Utes again sought their old haunts in this state, but remained only a short time, having been removed by the efforts of the state and federal authorities, without serious trouble, and before they had caused any great destruction of game.

The decision in the Race Horse (Wyoming) case, declaring the game laws in each state, in effect, paramount to treaty clauses concerning hunting, made the Indian amenable alike with the citizen to laws protecting game.

The game warden suggests the disarming of the Indians by the federal government as a means of preventing the annual game slaughter. To my mind, a sufficient security against a renewal of these Indian depredations could be obtained through the prevention, by the federal government, of the migration from the reservations in Utah to the game country within the borders of this state.

While our laws may need something in the way of amendment, the trouble is not with the game law but with the enforcement of it. This is largely due to insufficient means and partially to a misapprehension on the part of the community generally and the county authorities in particular as to the sphere of the game warden.

There is something wrong with the system. Responsibility is divided. The local officers feel no responsibility, usually assume none and do nothing except when called on by the game wardens.

The fact is lost sight of that the district attorneys, sheriffs and constables are all not only empowered to act, but required to do so in their respective places. The existence of authority in a game warden leads the community to look solely to him and his assistants, with the result that the very officers who can best and most speedily and most cheaply enforce the law, take no part.

If the state game warden hunts up, arrests and prosecutes violations of the law, then the state, not the county, meets the expense. Naturally the counties prefer this course, but the state does not furnish the means, or so little that it is absurd to attempt to protect the game over a wide region with it. If the state is to protect the game it must be through the enforcement of the game laws.

If the local authorities of the various counties can and will enforce these laws as they do other laws, then a corps of state game wardens is unnecessary, and the expense of maintaining it ought to cease. But if the state is to provide a special corps and that corps or department is to be held responsible for the enforcement of game laws, then it is absolutely necessary that proper regard be had to the nature and extent of the work required and a sufficient amount of money be appropriated to do it. If this can not be done, then the sums now expended are practically wasted and the whole responsibility for the enforcement of the game laws should be placed upon the sheriffs and citizens of the counties in the game region.

To sum this matter up, it appears that the task of protecting the game by enforcing the laws enacted for that purpose is and has been for various reasons, too difficult for the local authorities.

While something of the difficulty is due to the apathy of the local sentiment and also to the local antagonism to the enforcement of the law as against the inhabitants, both of which affect the local executive officers and make this part of their functions distasteful and often in a political way hazardous, still, a greater obstacle is to be found in the too great expense upon the counties themselves. There are many minor difficulties too. The boundary lines between counties are the limit of authority to the local officers who may be pursuing those committing depredations against the game. The expenses incurred within one county by a sheriff of another county will be refused payment by the county commissioners of both. In the one because the sheriff is not within his jurisdictional limits, and by the other because the work was not done in that county. Payment by mileage makes the expense too great, not only for the service rendered, but too great for the county revenues.

If the game is to be preserved, the cost of that preservation should be borne by all the state and not by the counties in which the game is found, which naturally have few inhabitants and small amounts of taxable property.

Experience in the past and before the institution of a game warden department seems to teach that for the reasons stated or for some reason, the local authorities are not able or willing to protect the game. Under the present system the game has likewise gone largely without protection. To go back to the old way promises no improvement. It seems to me that a reformation in the present system would produce the best results.

Let the game warden, with probably the present number of deputies, have in charge the enforcement of the game laws.

There is no occasion for the employment of deputies throughout the year except, perhaps, in isolated instances. Let the game warden have authority to appoint special deputies for service within certain regions during the season when game needs protection, and in some places, perhaps, for the whole year, which special deputies shall receive no pay except one-half of the fines and forfeitures they obtain through the enforcement of the law. Let the state's part of the fines and forfeitures be paid into the state treasury. The expenses for the enforcement of the law should be paid by the state, either from its usual revenues or from a fund obtained by the granting of licenses to hunt, graduated in cost to the licensee according to the size of the territory over which the license grants the hunting privilege and based upon the fact of citizenship or non-citizenship.

Those who have given this subject special attention assert that such a license system would furnish ample means for the perfect protection of the game of the state.

It can scarcely be possible that the people desire, through neglect, to see the extermination of the game animals which we still have, although in diminished numbers, in sufficient abundance to attract the sportsman.

HATCHERIES.

The report of the state fish commissioner and game warden shows an unsatisfactory condition in the trout culture department, owing largely to the depleted condition in which the stock of fish was

found by him on entering upon his duties, the deteriorated condition of the hatcheries, and the smallness of the appropriation when the present incumbent took charge.

It would seem that the only sensible business method would be to have one hatchery, at the best and most economical place for it, and to distribute from that point, thereby increasing the efficiency of this department and very materially lessening the expense.

COAL MINE INSPECTOR.

The importance of the work in charge of the coal mine inspector ought not to be overlooked. The present incumbent has diligently and ably performed the duties of his office.

His report is comprehensive and clear. The recommendations which he makes should receive your attention. The responsibility placed upon him is to guard against accidents in coal mines. In addition to the recommendations which he makes, I would suggest for your consideration that superintendents of coal mines should be required to pass examination, especially concerning ways and means for reducing to a minimum the chances of accidents.

In many, if not all, of what might be termed the coal states, this requirement exists, and is found to be effective in securing a greater degree of immunity from accident, statistics showing that where such rule controls, the percentage of fatal accidents is diminished.

BOILER INSPECTOR.

I desire to call your attention to some recommendations of the state boiler inspector, concerning more stringent laws in his department. The present

boiler inspector has faithfully performed the duties of his office, has made all expenses out of the fees which he has earned, which fees he has turned in to the treasurer upon receipt of them, and has a surplus of \$659.29 to the credit of the office during the year and eight months of his tenure.

MUNICIPAL GOVERNMENT.

In the inaugural address to the tenth general assembly, the executive called attention to the propriety, and, indeed, necessity of legislation or a constitutional amendment for the purpose of conferring upon the city of Denver full local self-government. It was there said in part:

“Local self-government is a phrase which unquestionably represents a correct theory and principle, but it is one which may be made use of to bring about a result which is neither true local self-government nor good government.”

“A charter or body of laws, for the municipal government of Denver, made by the legislature, is a departure from the principle of local self-government.”

“Until its citizens only make their own charter or constitution, it cannot properly be said that Denver has local self-government. Moreover, there will be no end of charter tinkering until one is made with sufficient deliberation, by a body so constituted that it represents the community and all of the community interested.”

“The present charter, one of the checks in the deposition of power, is to be considered on its merits, like any that may be suggested, because the will of the people of the municipality cannot be ascertained

until it has been legally expressed. The great consumption of the legislative time in charter making, to the great disadvantage of other legislation, was one of the causes of enacting a general municipal law. The wisdom of a general law permitting cities of the first grade to hold representative or constitutional conventions for deliberating upon and framing their charters, the same to be submitted to the people for confirmation or rejection, is suggested for your very serious consideration. If local self-government is desirable, then the genuine article is the best."

Since that time the amendment to the Missouri constitution upon this subject has been carefully read by me, and the same or a similar constitutional amendment, changed where necessary to meet the conditions here, is recommended. This change can be made to apply to Denver, if so desired, by having the new legislation or constitutional amendment apply only to cities with a population in excess of 100,000. I am informed that this constitutional amendment has given exceedingly favorable results in the city of St. Louis, and a similar law in several other large cities where the same method is now in use.

On account of the dissatisfaction with the management of the municipal affairs of the city of Denver, particularly in relation to the police and fire departments, in 1891, the responsibility for the government of the city named in respect to the matters mentioned, was placed upon the chief executive of the state, by making it his duty to appoint the fire and police board, of which the functions were and are to enforce the ordinances of the city in relation to fire, police and excise matters, and to conduct those departments.

I have called upon this board to make a report of its acts in the premises. In response a report has been made, which I transmit. It shows the city of Denver to be one of the best governed and protected in the United States during the past eighteen months, with especially satisfactory results during the year 1896, with relatively greater territory and less means than any city in the country, with possibly one exception. Crime has been more successfully coped with and more frequently punished; vice more satisfactorily restrained and prohibited; losses by fire rendered less in amount than in any city in the Union of like size or relatively the same population. The report made shows that during the time mentioned the results have been superior to any attained during any previous like period in the history of the city. This report is exhaustive and clear, and is worthy of thoughtful consideration by your honorable body and the public concerned.

Notwithstanding the efficiency which has produced the superior results here merely touched upon, the cost of the protection furnished the citizens of Denver has been less than the same cost in any of the principal cities, of which a comparative table has been made. The police protection alone, in the year 1896, has been 77 cents per capita per annum, a result which is a matter of congratulation to the city and to this board, and to the chiefs and other subordinates of both the fire and police departments.

Whatever may be the advantages of what is termed home rule, at least it can be said, without fear of successful contradiction, that the present board has diligently, wisely and fearlessly performed its difficult functions in all of the three departments—

fire, police and excise—and with, at least, as satisfactory results as have been attained in any city in the country, and at less relative cost, whether they have been conducted under home rule or upon a so-called metropolitan system.

OMAHA TRANS-MISSISSIPPI INTERNATIONAL EXPOSITION.

I have been notified to call your attention to the fact that this exposition is to be held from June to November, 1898, in the chief city of our neighboring state, Nebraska, and that its purpose is to make known to the world the natural resources and development, industrial advance and opportunity for investment and immigration of the trans-Mississippi country. If the means can be provided, it certainly would be to the advantage of the people of this state to take part in this exposition.

PROMOTION OF UNIFORMITY OF LEGISLATION IN THE UNITED STATES.

The tenth general assembly passed an act empowering the executive to appoint three commissioners on the part of Colorado to act with commissioners appointed by other states, in the promotion of uniformity of legislation in the United States.

The commissioners were appointed and made their report of their acts and their conference with the other commissioners indicated. Twenty-nine states and one territory are now actually represented by commissioners, and other states and territories have signified their intention of creating similar commissions.

The work of the body has been conservative and satisfactorily progressive. As stated in the report referred to, the subjects assigned for investigation

and report are: Commercial laws, laws of marriage and divorce, deeds and other conveyances, certificates of deposits, forms of notarial certificates, executive finance, finance, weights and measures, uniformity of state action as to presidential electors, uniform hours of labor in factories, insolvency, insurance, dealing with corporations, descent and distribution, congressional action, and the like.

The commission has furnished a number of bills which have been agreed upon and which ought to be enacted as furnished. Those agreed upon and suggested for present enactment concerning acknowledgment and execution of written instruments, sealing deeds and other written instruments, execution of wills, probate of foreign wills, days of grace and presentment of bills and notes, uniform standard of weights and measures, and negotiable instruments in general, besides certain resolutions recommending legislation concerning marriage and divorce.

The report of this commission and the prepared bills indicated and the resolutions mentioned are herewith transmitted. The importance of uniformity among the states of legislation upon these subjects can not be gainsaid. The result of enactment by various states of uniform laws upon the subjects suggested will be the diminishing of litigation and an advance along progressive lines in legislation.

The gentlemen who have been selected as commissioners are qualified to perform the duty devolving upon them, that of ascertaining the best rules for the conduct of the community in certain directions, and have given painstaking consideration to the subjects in hand.

I most earnestly recommend the enactment in law of the prepared bills and likewise of the resolutions transmitted.

The small appropriation asked for by this commission should be accorded it.

LIFE INSURANCE POLICIES.

I earnestly recommend, in the interest of policy holders of life insurance companies, the enactment of a law which will protect them from the effect of unimportant or inaccurate statements in their applications, which do not affect the quality of the risk taken by the insuring company. Protection to life policy holders from the hardship that may result from an unintentional false statement in the application for insurance should be afforded. Where the false statement is made in bad faith, or is material for the consideration of the insuring company in determining whether the policy shall issue, it does and should forfeit the benefits of the policy to the beneficiary; but a harmless, incorrect statement, that in no wise affects the determination of the insuring company in assuming the risk, should not forfeit the policy. I, therefore, recommend the passage of an act such as was enacted by the legislature of Pennsylvania, January 23, 1895, which reads as follows:

“Whenever the application of a policy of life insurance contains a warranty of the truth of the answers therein contained, no misrepresentation or untrue statement in such application, made in good faith by the applicant, shall effect a forfeiture or be a ground of defense in any suit brought upon any policy of insurance issued upon the faith of such application, unless such misrepresentation or untrue statement relate to some matter material to the risk.”

Such a law will afford needed protection from the astutely worded questions of some companies; work no injury to those acting in good faith, and produce beneficent results to the beneficiary of the insured, who has perhaps for a long period made sacrifices to pay the required sums for his insurance, and who ought not to have the legitimate results of his life long forethought defeated through a mere technicality.

BANK EXAMINATION.

I desire again to call attention to the propriety and necessity for legislation which will place around state and private banking institutions of every description, the safeguard of examination, made at their expense, and the publication of their condition at repeated intervals; this to include building and loan associations, which, while they have other functions, are alike depositories of the savings of our frugal citizens. These reports should be made to the governor or state treasurer, at dates fixed by him from time to time, and not at fixed dates known in advance.

To me it seems to require no argument that such examination and publication should be made. The bank examiner should be appointed by the governor, and subject to his supervision.

MINING LESSEES—LIENS.

The last general assembly amended the mechanic's lien law. (See Session Laws, 1895, page 202, section 1.) Theoretically the amendment seemed to be wise and in the interest of the working man. Experience, however, which is after all the only test of the quality of a law and the nature of its effect, has shown during the past two years that this amendment was ill-advised. It has worked badly. I, who

signed the act, am free to say that had I perceived the result, I would have vetoed it. The effect has been to prevent the leasing of mining property except to persons of good financial standing in the community, or those who could give sufficient bond to save the property of the owner from the effects of bad or expensive management.

The average working man not possessed of considerable property was deprived of leases which, under the old law, he would easily have obtained. It has been estimated that at least 25,000 miners could now be employed if the law were restored to its former condition. I, therefore, recommend the repeal of this act of 1895, amending the mechanic's lien law, as stated, and the restoration of the section amended, with this addition: that a clause be added to the section requiring the leases to be put on record.

TAXATION OF INDEPENDENT CAR COMPANIES.

I recommend such legislation as will compel what are called independent car companies to make a return of their cars in this state to the state board of equalization.

A large amount of railway rolling stock owned by these companies escapes taxation under the present system of assessment. The statute in Missouri on this subject seems to be effective and might, with good results, be adopted.

RAILROAD LEGISLATION.

I see no reason for changing the views expressed on this subject in my inaugural address, and as they are a matter of record with you, I need not burden you with a repetition.

JAILS.

The responsibility of the condition of jails in the various counties of the state should be definitely placed and some adequate punishment provided for keeping the same in an unsanitary and improper condition. The inmates of jails are usually persons charged with crime but not yet found guilty, in some cases witnesses who are charged with no crime as well as persons convicted of smaller crimes and misdemeanors, often young men and boys are incarcerated with hardened criminals. The government is frequently unsystematic or whimsical and neglectful, filthy and unhealthful conditions in some instances prevailing which would not be tolerated for a moment in the penitentiary, where only those legally ascertained to be guilty are held. The effect is bad on the health and morals alike of the prisoners. There is need of reform in the management of jails.

The county commissioners should be required to furnish suitable clothing, particularly underwear, to those needing it, if for no other reason than that filthy clothing may not be a source of contamination to the inmates and detrimental to the common health.

HOUSE OF THE GOOD SHEPHERD.

I again call attention to the fact that the House of the Good Shepherd, in the city of Denver, has a just claim against the public for the care and maintenance of incorrigible girls, during the period when it was the legally designated place for their retention.

LEADVILLE STRIKE.

A strike was ordered by the miners' union of Leadville, about midnight, June 19, 1896; whether for reasonable cause or without any cause, it is not

material to this discussion. They had a legal right to cease work, and did it. Shortly afterward certain employers of mining labor refused to furnish employment to a considerable number of miners not included in the number of those who had struck, but not on account of wages. Two thousand three hundred members of the union were involved, 968 out "on strike," and 1,332 "locked out." These figures are stated to be accurate.

When the information came to this office that a "strike was on," I directed the deputy labor commissioner to visit Leadville for the purpose of making an effort toward conciliating and bringing together the two sides to the controversy. On his return he informed me that he found the mine owners and managers, or a considerable number of them, more correctly, desirous of arriving at a settlement through arbitration, and that such offers as were by him conveyed to the officers of the miners' union were by them declined; but as to these matters fuller and more accurate information can be gained from the perusal of the report of the deputy labor commissioner, which is made to the honorable secretary of state.

For a considerable period quiet continued to prevail at Leadville; in fact, as I am credibly informed, order in that city and county was never better preserved than it was during the earlier period of the strike. Later on, however, rumor, and then specific statements of acts of intimidation and lawlessness were conveyed to me. Appreciating that inevitably where in any community there is a large number of idle men, and where feeling and interest tend toward angry disputes, an increase of crime oc-

curs, knowing that in the most orderly communities and assemblages there are always some who are possessed of little self-control, I deemed the result natural and not calling for action on my part, but that the local authorities could and would maintain order. At the same time acts of intimidation and lawlessness were charged as being committed in a systematic and pre-concerted way, and although the evidence tended to show this to be true, nevertheless, it was only later on in the course of events that this was proved to be the fact. This later and, to my mind, conclusive evidence shows that an executive committee, in some manner satisfactory to itself, was appointed by the union named to conduct the strike. This committee was appointed on or about June 24, and on or about, and not later than June 30, this committee ordered, if my recollection is clear, one hundred rifles, which were received about July 10, shipped from New Haven, Connecticut, and paid for on or about July 11, by an officer of that body, out of moneys on deposit in the Carbonate Bank, said to belong to the miners' union. The evidence shows, on information which I deem reliable, that an officer of the union was appointed to distribute these rifles, and took receipts for each, with the number of the rifle, together with rounds of ammunition for use in the same.

What are termed "regulators," armed with revolvers, which were kept at the headquarters of the miners' union, according to the evidence, consisting of small bodies of strikers, directed by so-called captains, moved about through the vicinity of Leadville, intimidating and assaulting and abusing workingmen who were non-union men, ordinarily called

“scabs,” who were deemed to be willing to accept the employment refused by the strikers. Five of these captains of “regulators” were deputy sheriffs, under appointment by the sheriff of Lake county, and as I am informed officially, are under indictment for participation in the Coronado and Emmet affair.

Receiving information of increased intimidation and lawlessness in that county, I, upon July 21, telegraphed the sheriff of Lake county as follows:

“From what are deemed reliable sources, I am informed that in your county bodies of men are acting together with intent to do violence to person and property, and are doing such violence, and by force and violence are breaking the laws of the state. Further, that a condition exists approaching or threatening to amount to an insurrection; that armed squads are patrolling the county, keeping people from going to Leadville, having already beaten several men and driven them out of that city at the points of guns. They are interfering with people coming into Leadville on trains, particularly laboring men, ordering them back and compelling them to go against their will, and that these are not isolated cases, but of common occurrence. Complaints are made to me by workingmen that they are prevented from entering Leadville, in one instance the laborer desiring to go into Leadville having a money order on the postoffice there. These complaints and statements are so numerous that I cannot refuse to give them attention. Please report by wire what the situation and facts are.”

To which telegram I received a reply on July 21 from the sheriff, to the effect the information I had received was not reliable; that he was maintaining

law and order and was entirely able and willing to suppress any lawlessness that might occur.

The following supplementary telegram, from the sheriff, I received on July 22:

“Since my telegram of last night I have traced source of rumors to fact that some people, acting through best motives, thinking to protect life and property, have stopped suspicious looking men and prevented their entering town. I have issued a proclamation as follows: ‘To All Whom it May Concern: Whereas, Certain unauthorized persons have undertaken to prevent people entering Leadville under the belief that they were suspicious characters; and, Whereas, Such action, while well meant, is illegal and in violation of the personal liberties of the citizens; Now, therefore, notice is hereby given that any one so interfering with the rights of ingress or egress of any person in Lake county, except by due process of law, will be vigorously prosecuted. Any persons giving information which will lead to the arrest and conviction of parties so offending will be suitably rewarded.’ I can and will preserve order, enforce the law, and execute all process issued by the courts. If at any time the power of the county should prove insufficient for the purpose stated, I shall not hesitate to call upon you for aid.”

Anxious not to interfere, I accepted the statement and assurance of the sheriff as made in good faith, although the information came from seemingly reliable sources, which has since been proved to be correct, that the sheriff was avoiding the performance of his duty, stating that he was unable to ascertain who the guilty parties were and in fact refusing to observe what was going on

within his own jurisdiction, so far as acts of intimidation and lawlessness were concerned.

About 1:30 a. m., on Monday, September 21, the sheriff of Lake county and the judge of that district, put themselves into communication with me by telephone and by telegraph. The communication by telephone, more detailed, was practically the same as that contained in the telegrams which followed.

Leadville, Colo., September 21, 1896.

Governor McIntire:

Send militia as soon as possible.

M. H. NEWMAN,
Sheriff Lake County.

FRANK W. OWERS,
Judge.

Governor McIntire, Denver:

The situation here is beyond my control. I am compelled to call on you for aid to preserve order and hereby do so. Am of present opinion strong force is needed. Send militia as soon as possible.

M. H. NEWMAN,
Sheriff Lake County.

It is not necessary for me here to give an account of the occurrences known as the attack on the Coronado and Emmet mines at Leadville, they are known to you through the public press. This attack clearly was not a sudden, hasty crime, committed on the spur of the moment. Deliberation and premeditation on the part of those perpetrating these outrageous crimes are shown by the fact that carefully prepared bombs, in considerable number, were

used; others not used were afterwards found. An imitation cannon was found, made out of iron pipes, from which a chain was fired at the oil tank, but lodged in the shaft house of the Emmet, after penetrating the same. Thousands of discharges of rifles and revolvers were heard during the two attacks mentioned. The attack on the Coronado was repulsed with slaughter to the attacking party; a fireman was murdered in the performance of his duty; the buildings were consumed by fire resulting from the explosion of the bombs referred to, and rifles with numbers, belonging to the consignment of rifles spoken of, were found near the bodies of men killed in the attack, or just where they had fallen.

Within a few minutes of the call by telephone of the sheriff and the judge, and before I had received their telegrams, I sent for the adjutant general and ordered the calling out of the national guard, which promptly responded to the call to arms, and was sent to Leadville from their various localities, some of them entering that city in the evening of the same day; the remainder arriving the next morning. I issued such orders to the brigadier general commanding as were by me deemed proper to meet the emergency. I found then, and have since been confirmed in the opinion formed by evidence, to me thoroughly satisfactory, that a "reign of terror" had existed in that community, culminating in the attack and destruction of the Coronado and Emmet mines, which the sheriff, although expressing himself willing and able to preserve order in the community, had entirely failed to suppress or oppose.

A large number of the deputy sheriffs were strikers, and while I do not believe it is true that the

majority of the members of the miners' union participated in or desired to have brought about the lawlessness that existed, nevertheless, it is clear to my mind that in the very nature of things the appointment and continuing in office of deputies who were participating in acts of lawlessness or who were strongly in sympathy with those who committed them, was calculated to increase the disposition to lawlessness on the part of the worse element of those engaged in the strike, to relieve them from the restraint of fear of punishment and to augment the fears of the law-abiding citizens and to prevent the segregation of such members of the miners' union as were well disposed and naturally law-abiding from that minority of them who were committing and upholding the commission of crime.

The disposition on the part of the sheriff's office of Lake county toward the enforcement of the law did not change until a change was made in the incumbent of that office. The very men who were captains of the regulators mentioned continued to be deputy sheriffs and were acting as deputy sheriffs until very recently, although it must have been known to the sheriff that they were guilty of the acts indicated, and were under indictment for the graver crimes committed at the Coronado. Had the supremacy of the law been upheld by the sheriff, and in my opinion he could have prevented the lawlessness complained of had he so desired, the naturally law-abiding citizens among the union, and the majority I believe to be naturally law-abiding, would not have been themselves in turn intimidated by the turbulent minority into an acquiescence in the acts of their fellows, which produced the reign of terror and the

crimes committed in the terrible and fatal onslaught of the Coronado and the Emmet. It is worthy of note that at no time since the arrival of the state troops in Leadville has the sheriff of that county or the judge of that district indicated that the authority of law could be sustained if they should be withdrawn.

All parties, including such members of the miners' union as I have conversed with, have to me urged that the troops were necessary, and, with rare exceptions, indicated it would be criminal on my part to withdraw the troops, in view of the condition of affairs in that county, and that life and property would be sacrificed if that course should be adopted. Within a few days an honorable man has been selected to succeed the sheriff who was acting during all the time mentioned, the latter having been removed from his office by sentence of the district court of Park county. When the present incumbent was selected to perform the arduous duties of the office of sheriff of Lake county, I advised with him concerning a change in the situation, indicating that while willing to afford him every support he could properly desire, nevertheless, that if he felt able to cope with the situation that confronted him, I would consider the immediate withdrawal of the troops. In the interim between the former sheriff and the selection of the new sheriff, I caused the force to be diminished, believing that a favorable change was taking place. At the suggestion and request of the sheriff, who expressed the desire that no further troops be withdrawn for the present, and because, in my opinion, from all the facts, both of record and from all sources, until the sheriff shall have had

time to reorganize his office and acquaint himself fully with the situation from the standpoint of an official, the presence of the troops is necessary to the maintenance of order, I stopped further depletion of the force.

I believe, however, that under the new order of things in the sheriff's office of Lake county, in a very short time the troops may be withdrawn and the preservation of the peace and the supremacy of the law be maintained at the hands of the local authorities of Lake county, as they should be and should have been during this whole period.

ARBITRATION.

Strikes and their analogue, lockouts, are matters of interest and importance, not only to those directly participating, but on account of what seem to be their inevitable results, and the sometimes disastrous effect upon the community at large often a matter of serious concern to the state. Where controversy or difference involves questions which may be settled by the courts between the employer and employee, that method is open to either or both, and should not be in any way interfered with; but it is frequently the case that differences are not such as may be settled by the state through its courts. The natural bias or prejudice of an interested party often tends to prevent a coming together of those having an adjustable dispute, and the good offices of a third party, not impeded in this way from arriving at just conclusions, may not only be beneficent, but, as experience shows, be in the end satisfactory by reason of its fairness to both sides.

Large industries are a modern growth. When the general body of our laws was in process of form-

ation, the employer and employee occupied somewhat different positions toward one another; by reason of the smallness of the number of employees, the employer easily became acquainted with the character and qualities of his employees. This contact softened the harshness of the selfish competition, which is the ultimate principle of business relations. By talking matters over, the master and servant could see that there were two sides to the controversy; that the other might be right either in whole or in part. The attitude of the antagonistic self-interest was thus often modified by a sense of mutual justice and an appreciation of the real right-mindedness of the opponent in controversy. Where the employees are hundreds or thousands in number, this personal contact between employer and employee is not possible. Each side sees only what it wants. It does not hear in a direct way what the intimate reasons of the other side are, and a spirit of antagonism of class against class is engendered, often to their mutual disadvantage and the detriment of the community. Owing to these controversies and the difficulty particularly of bringing large numbers of men to consider without bias or prejudice the rights and motives of others, naturally, and in a sense, in imitation of settling disputes by the courts, arbitration in one form or another was initiated, and because of its frequently beneficial effects, has come more or less into use and become recognized as a wise and proper method of bringing about a coming together—it is true, indirect—but a coming together, nevertheless, although others than the principals take the part of reasoning and mediating. First in England and France and later in Massachusetts, and now in very

many states of the Union, boards of arbitration and conciliation, as they are sometimes termed, or of arbitration and mediation, were provided by legislation, without power, however, to enforce judgment. The spirit of fairness of the parties to the controversy being relied upon to cause acceptance of a just arbitration. Frequently, and probably in the larger number of cases, conciliation alone or mediation is found to be sufficiently effective to bring the parties into pleasanter relations to one another, with the result that they settled their disputes between themselves, as in the manner of earlier times the master and the servant laid aside their temper and did what was right, to their mutual satisfaction. This method has been found very beneficent in many of the states, none less than in Massachusetts, perhaps the first state of the United States to adopt it. It is not an experiment there and their legislation is well digested and has produced excellent results, satisfactory alike to employers and employees, saving both these and the community the loss, the harm and the demoralizing results of either strikes or lockouts. By it the rights of neither side are interfered with against their consent, nor is either side obliged to submit, nevertheless, it is rare that either refuses to submit to the mediation of the board, whether general or local, or refuses to abide by the results. The board has power to compel witnesses to attend, to testify and to submit their books to inspection, and may have, and usually does have, experts not interested in the controversy to pass upon such points as are deemed too technical for the ordinary witnesses, to furnish and to supply technical knowledge to the board. The board is paid by the state. The cost to the state in

1895, in Massachusetts, for this state board of arbitration and conciliation, was \$10,082.16.

In the state mentioned, there is a multiplicity and variety of industries and there can be no question about the constant employment of such a board. Here it may be objected that there is not a sufficient number of industries to justify legislation creating such a board. Properly and economically conducted, it seems to me, it would be cheaper for the people of the state in the long run to meet the expense of such a board than to suffer the effects of strikes when they do occur.

One of the underlying principles of this system is that violence and lawlessness forfeit the rights and are not to be contemplated or tolerated and that the mediation of the board should be sought before the strike or lockout is inaugurated.

At the risk of wearying you with the perusal of a lengthy document, I have somewhat in detail presented to you this statement of the acts of this administration, and the views and suggestions and recommendations which occur to me. I have endeavored impartially to set forth the condition of the state's affairs in a general, comprehensive way, not entering into detail more than absolutely essential to an intelligible statement. I deem it my duty to the sovereign people of this state to be clear and explicit in this message to the extent of my ability.

And now, almost at the last moment of the performance of the high function which has been intrusted to me by the sovereign people of this great commonwealth, I repeat what I said at the first mo-

ment of assuming the supreme executive power: "To me as chief magistrate, the conferring of this power conveys with peculiar force the command that the law is to be impartially administered and enforced, and that the supremacy of the law is to be maintained at all hazards."

ALBERT W. McINTIRE,
Governor.

INAUGURAL ADDRESS

OF

GOVERNOR ALVA ADAMS

BEFORE THE

ELEVENTH GENERAL ASSEMBLY

OF THE

STATE OF COLORADO.



INAUGURAL ADDRESS

OF

GOVERNOR ALVA ADAMS.

Senators and Representatives of the Eleventh General Assembly:

I take up the duties of the governor of Colorado with a deep sense of gratitude to the people who, for the second time, have placed me in the executive chair. Unresponsive would be the man who would not appreciate such evidence of confidence. May the Ruler of all states and people give to me the wisdom and the courage to see and to do that which is best for the prosperity and happiness of every citizen of our state.

The ticket which I represent was nominated and elected by a fusion of political elements, and it is our duty, as it should be our desire, to give an administration as broad and liberal as the spirit that led to our election.

The state will not measure or judge us by what we say to-day, but by what we do in the coming months. The people weary of an unsubstantial diet

of promises, and reform platforms become monotonous to a tax-ridden people. But, ladies and gentlemen of the legislature, let us satisfy the expectations of our constituents by prompt, patriotic and only needful legislation.

Each of us has taken a solemn oath; those obligations merge all personal and party interests into fidelity to the state's welfare. You owe allegiance only to the people. I do not expect party fealty to be ignored, or the enemy rewarded and the friend forgotten, but I do not consider the capitol or the legislature clearance houses for the payment of political debts. They are not asylums for those who have been maimed and broken in the warfare of politics. Public office is an honorable duty, not a venture for profit, and when in office we are no longer partisans, but public servants, representing the entire state, and to every citizen and every interest we owe an obligation of sincere, honest and patriotic service.

Let your motto be: "Wise but not numerous laws." That legislator is not serving his state best who introduces the greatest number of bills. In the last legislature there were four senators who introduced from thirty to thirty-nine bills each; in the house there were seven representatives who introduced from twenty to thirty bills each, and two representatives who introduced no bills. These two did not serve the state the least.

It is not possible for any member to do justice to many enactments. Some, perhaps, are introduced "by request." I question the propriety of introducing bills "by request," unless the member believes in the measures therein set forth, and will make such

bills his own. These orphan bills take time, cost money, cumber the record and die, bringing profit to no one but the public printer. I commend to you the sentiment of Voltaire: "A multitude of laws in a country is like a great number of physicians, a sign of weakness and malady."

The people have designated their choice of United States senator with such clearness that there need be no delay in recording their verdict, when the hour comes, by electing Henry M. Teller.

The constitution fixes ninety days a maximum length of a legislative session, but there is no obligation resting upon you to occupy the full period, and you will win the gratitude of the people in proportion to the economy and brevity of the session.

The constitution, as adopted, designated forty days as ample time for a legislative session. If you can, by general agreement, shorten the time for introduction of bills and finish your work in that time and adjourn, \$50,000 will be saved. I commend to your earnest consideration the tables of the auditor, giving the estimated income and expenditures for the next two years. They are too much like the individual finances of most of us, for the past four years, to be pleasant. If his estimates are correct, the known demand upon our treasury will be nearly \$200,000 in excess of our probable income. The problem that confronts you is to either develop new sources of income or reduce the estimated appropriations, as the constitutional limit of taxation has been reached, and beyond that no appropriation can be made or warrant issued. More economy and not more tax is the best solution; better parsimony than extravagance.

Economy is imperative; by economy I do not mean a saving that will be satisfied by the discharge of some poor girl stenographer or the cutting of some clerk's wages, but it must be a reduction of expense extending through the entire system of state administration. In these days of depression, employees of the state should be willing to do the same amount of work for comparatively the same pay as they would in the lines of private business. There is no reason why state employees should not work as many hours and for the same wages as prevail elsewhere. If these conditions were inaugurated it would reduce the pay roll and save large sums now paid in excessive salaries.

A salary that was adequate a few years ago is too large now, so much greater is the purchasing power of money under the gold standard. When the panic came individuals were compelled to change their methods of life and reduce their expenditures. The state, however, continued with an ever increasing budget of expenses, as though it were exempt from the common sense demand of living within its income. We now realize that economic laws are inexorable, and apply to state as well as to man.

The changing of the law so as to pay members of the legislature a fixed salary, instead of a per diem, might in the future lead to shorter sessions and economy.

There is no invitation so alluring to investors as a low tax rate and well executed laws.

With this message I hand you a list of the employees and officers of the state, with their salaries. In some cases deputies are paid more than heads of

departments. Clerks are numerous and salaries high. The average pay of legislative employees is about \$5 per day, and in the past none of them have been broken down from overwork.

I would suggest that a committee take this list and make such amendments in the way of wages and number as the conditions permit, remembering that the state should always pay good, fair, honest wages, and in return it should receive full, competent and honest service.

Two reasons might be given for the urgent necessity of economy: The estimated assessment for this year is thirty-six millions less than for 1893; then, for some years, we have been building the capitol, which represents an outlay of about two and three-fourths millions, perhaps, considering our population and wealth, the greatest cost for a capitol building ever built by any commonwealth.

Out of the four-mill tax allowed for all state institutions—all state purposes of every kind—we must pay 16 $\frac{2}{3}$ per cent. of the entire state tax towards the capitol, and under the law must continue to do so until the capitol is paid for.

The capitol is a noble structure, but like all things good it has been expensive. I trust that long before the next governor is inaugurated the advance wave of prosperity will have arrived, so that instead of pleading for frugality, the state's finances will permit him to recommend liberal appropriations for every state institution and every purpose that will promote the grandeur of a great state.

Gov. McIntire has made it unnecessary for me to review state institutions. In his able and courageous message he has made many wise suggestions

which I commend to your careful attention. In this message I may have taken advantage of the latitude afforded by an inaugural and mentioned matters not subject to direct legislation, but about which a more enthusiastic public sentiment should be developed.

HOME PRODUCTION AND CONSUMPTION.

In the excitement and speculation incident to the founding of a new state, common sense principles of economy are ignored, and extravagant methods of life indulged in that ought not to prevail in established communities. Colorado's delinquency and the extravagance is the indifference she manifests towards home production and in the consumption of home made and home grown articles and produce. Never since the chance dropping of a few grains of wheat in a Denver door yard in 1869 revealed the capacity of Colorado soil and climate, has there been a year in which thousands of dollars have not been sent abroad for produce which we could raise as well or better. The pioneers had some excuse, but for us there is no apology, and to continue shipping in from rival states is an impeachment of our patriotism and intelligence. A little of the spirit of our foremothers, who preferred the dried leaves of our forests to the fragrant teas of the Orient, would not harm us.

The New Year editions of our newspapers were eloquent in statistic and word of the possibilities of our soil. We boast of the products of our fields, orchards and pastures, yet every day there roll into Colorado from other states train loads of dairy products, genuine and bogus, fruits, vegetables, meats fowls, eggs and hundreds of things that can be raised

and made in Colorado, and would be, too, if our people would always demand home made and home grown products. Selfishness ought to induce our people to patronize local industries; if not, then there should be a revival of patriotism. It would mean much to us and harm no one. It would bring cultivation to thousands of barren acres, employment to thousands of idle men, profit to every farm, dairy, orchard and pasture, and prosperity and blessing to producer and consumer alike.

Every working citizen is a valuable asset in the inventory of the state's wealth; every unemployed, idle workman is a liability.

The railroad and express receipts for freight upon the produce that should be raised at home, would be a revelation to most of our citizens, an object lesson they would do well to heed. Each one of us carries his share of blame. There is before us an open and clear road to permanent better times—let us follow it.

In the distribution of local products, the railroads are a necessary factor; they should be required to transport the product of the most remote farms and mines upon their lines, to the best markets, at rates that will yield to the producer, as well as the railroad, a fair return.

With the sympathy and aid of the railroads, and the determination on the part of our people to consume home products, there can be created a reciprocal traffic between producer and consumer that would strengthen every factory and every local enterprise, and make short the road between debt and prosperity.

No transportation line should permit discrimination against the fruits of Colorado mines, soil or shops; in fact, a contrary policy can be justified from the incidental and future advantage arising from the fostering of local productions and the encouragement of home manufacture.

COLORADO STONE AND MARBLE.

The stone and marble reserves of Colorado are certain to develop into a great industry, and in their interest you should petition the treasurer of the United States to use only Colorado marble and stone in the construction of the public building at Pueblo, the mint at Denver and any other structure the government may erect in Colorado. As evidence of quality of material and ability to supply, we need no testimony beyond the granite walls of this capitol and the unsurpassed beauty of the marble which decorates its interior.

MUNICIPAL GOVERNMENT.

Under the present law the state is an important factor in the administration of municipal affairs in the city of Denver. For the state to exercise this power is to question the ability of the people to rule themselves. I question neither the right nor the competency of the citizens of Denver to manage their own affairs. When they surrendered that right they took a step backward in democracy. Democracy is not a mirage; if it means anything it means that local communities should exercise the sacred privilege of home rule. We should aim always to increase the rule of the people, not to curtail it.

Looking to the entire divorcement of the state and city in local government, I would commend such

legislation as will gain the result, and accord with the desires and best interests of the citizens of Denver. The city affairs of Denver ought not to be a disturbing element in the politics of the state, and to take from the state the power to influence local affairs will be better for both state and city.

IMPROPER LEGISLATION.

Trading is the curse of modern legislation. Laws are too often passed, not upon their merits, but by dicker. Legislators, to get votes for their measures, agree in return to vote for some other bill. Communities combine with communities, each having pet schemes to advance. Distinct interests add their voting influence, and under the flag of local or personal selfishness, crusades are made upon the treasury, and much useless and bad legislation placed upon the statute books. Laws should be considered upon their merits alone; if it is necessary to trade votes and combine to pass a measure, it is a good evidence that such measure ought to be defeated. The makers of our constitution realized this evil, and section 40, article V., makes the trading or exchange of votes or influence an offense. This section reads as follows:

“If any person elected to either house of the general assembly shall offer or promise to give his vote or influence in favor of or against any measure or proposition pending or proposed to be introduced into the general assembly in consideration or upon condition that any other person elected to the same general assembly will give or will promise or assent to give his vote or influence in favor of or against any other measure or proposition, pending or pro-

posed to be introduced in such general assembly, the person making such offer or promise shall be deemed guilty of solicitation of bribery. If any member of the general assembly shall give his vote or influence for or against any measure or proposition pending in such general assembly, or offer, promise or assent so to do, upon condition that any other member will give or will promise or assent to give his vote or influence in favor or against any other measure or proposition pending or proposed to be introduced in such general assembly, or in consideration that any other member hath given his vote or influence for or against any other measure or proposition, in such general assembly, he shall be deemed guilty of bribery, and any member of the general assembly, or person elected thereto, who shall be guilty of either of such offenses, shall be expelled and shall not be thereafter eligible to the same general assembly, and on the conviction thereof in the civil courts shall be liable to such further penalty as may be prescribed by law."

This section has been neither amended nor repealed, and though it has been a dead letter, there are few provisions of more importance. I commend its careful consideration, in the firm faith that a full knowledge of its intentions will make its violation impossible.

SCHOOLS.

Hard times seem to have no effect upon the growth of our educational institutions. The reports of these schools, as digested in Gov. McIntire's message, show an increase in attendance and influence that is a clear prophesy of the time when our loca-

tion, climate and institutions will make Colorado the educational center of this continent.

In the educational history of our country there is no parallel of a state attaining in so brief a period such a high standard for its institutions of learning. It is a proud achievement for a state but twenty years old to have a university that ranks with the best five state universities in the Union, and a school of mines whose reputation for thorough, technical work is not confined to our country.

In addition to our state schools, there are other colleges and institutions of equal rank and standing, while our public school system is surpassed by no other state, and equaled by very few.

The small republic of Costa Rica is justly proud that she has 700 school teachers and 300 soldiers. The day will soon come when the test of civilization will be the rate of teachers or soldiers. By this measure may Colorado be in the van.

Personally, when schools are concerned, I can not avoid agreeing with the sentiment of William Penn, who, when broken in fortune, was about to leave his native land, admonished his wife to practice the most rigid economy until his debts were paid. "Yet," said he, "in educating our children spare no cost, for by such parsimony all is lost that is saved."

Desirous as we may be to give aid, the condition of our finances is such that I must earnestly request every trustee and every officer of every state institution, to spend no dollar that can be saved, and to inaugurate no improvements or additions. Every dollar wasted or spent in extravagance will be

that much taken from the support of our asylums—homes which are Colorado's tribute to misfortune.

If every branch of the state government and every state institution will in mutual sympathetic effort do what it can to reduce expenses, we will be able to bridge the deficit in our revenue. This done, we can forget the four years of disaster and distress that are behind, and look forward to the years of prosperity and development that lie before us.

PUBLIC LANDS.

The records of the United States land office show that the profit arising from the sale of public lands is now so small that the time seems ripe for agitating the question of the cession by the government of all public lands to the states in which they lie. Said lands to be used by the states as a fund for the promotion of irrigation, reservoirs and other public enterprises beyond the ability of individual effort.

The revenues of the general land office were, in

1893.....	\$4,479,734
1894.....	2,767,824
1895.....	1,993,454
1896.....	2,066,361

The cost for 1896 was \$1,812,190, leaving a profit of but \$254,171, a small fraction of the benefit that would accrue to the government were this land utilized by the states in developing the possibilities of the great, so-called arid regions.

There remains in government title 600,000,000 acres; of this, 95 per cent. is within the arid territory, including California, Oregon and the Dakotas.

Colorado contains 40,209,278 acres, of which 4,600,483 acres are unsurveyed. The decline in re-

ceipts of the general land office was over 50 per cent. from 1893 to 1896, and as the government netted but a few cents per acre on the land sold in 1896, it demonstrates that the time has come when the public lands will commence to be a burden to the general government, yet if ceded to the states they can be made a source of great advantage to both state and nation.

The International Society of Irrigation Engineers, meeting last month in Denver, gave elaborate reasons in proof of the necessity of more extended and intimate control of water resources by the several states.

Only at great cost can the problem of the equitable distribution of water over the unredeemed arid lands be solved.

The distribution of the public lands will give to the states interested the capital which will inaugurate and carry to completion enterprises than can not be established by local means. The development and conservation of irrigating waters suggest possibilities greater than any other system of internal improvement in our history.

Ten years ago, Colorado and Texas inaugurated a movement in the interest of a deep-water harbor on the Gulf of Mexico; conventions were held, participated in by many western and southern states and territories, and by harmonious and intelligent effort, over \$6,000,000 were appropriated, resulting in deep water at Galveston, and the promise of other good harbors, all of which gave a present and prospective advantage of many times the cost, to the producers of the south and west.

With this example of united effort as a guide, I would suggest that a committee be appointed to confer with every state holding any considerable area of public land, looking to a united movement to secure a cession of the public domain.

The central geographical location of Colorado, and the fact that within our territory are the sources of many great rivers, make it appropriate that we should take the initiatory in a movement which will be the germ of untold fields of waving grain, of golden orchards, of happy homes, where now barrenness reigns.

ARBITRATION.

May 1897 develop a spirit of amity and conciliation between employer and employee. There should be a common ground upon which labor and capital can meet, without resorting to those conflicts which are so disastrous to the employer, the workman and the state. When differences arise, the party who will not seek and assent to a fair basis of settlement is not a good citizen. The poorest laborer, as well as the richest capitalist, has an equal claim to the protection of the law, and each will be protected, but neither has the right to destroy the prosperity and good name of the state. The supremacy of the law is the first and most sacred obligation of government, and to see that the rights of property and life are held inviolate, every resource and power of this state stands pledged.

As an example of the ill effects of contention between workmen and employers, California is quietly congratulating herself over labor troubles in Colorado, which divert capital from Colorado to that state.

Labor and capital must of necessity be partners. In their relationship the golden rule should never be abrogated. Injustice will bring disaster to both. Their interests are mutual and each must have its just reward. When friction comes into this partnership of labor and capital, each should manifest a spirit of toleration, compromise and conciliation. In the furtherance of these views, and as a bridge that may span any probable contention between workmen and employer, I would recommend that a board of arbitration be created.

While under our constitution you can not compel a party to enter into an arbitration, there should be such a tribunal where voluntary appeal can be made for adjustment of differences.

Experience in other states proves that a very large per cent. of the differences are gladly submitted by both parties for adjudication and settlement. A year and a half ago Illinois adopted an arbitration law. The report of its operation for the first six months shows forty disputes adjusted, only one of which came before a board session, the others being settled through the mediation of members of the board who visited the scene of contention.

By the efforts of a local board of arbitration, the pottery trade of Great Britain has had no strike in thirty years.

Given an honest board, and a spirit of fairness and patience, there can be no question of the result. It will not be long before every state will have such a board, and the natural inherent sense of justice in every man, backed and encouraged by a vigorous, healthy public opinion, will send every laborer and industrial contention to these tribunals for adjust-

ment. To be effective, arbitration must be prompt and cheap; the delay and cost of obtaining justice often leads to strikes and violence, which would be prevented by the assurance of speedy and inexpensive mediation. To men, arbitration promises a higher conception of justice and brotherhood, and to nations, the dawn of that perfect day when all states will unite "In the parliament of man, the federation of the world."

Upon the eve of realization is Whittier's prophecy of arbitration between Great Britain and the United States:

"And strand shall nearer lean to strand,
Till meet beneath saluting flags,
The lion of our mother land,
The eagle of our native crags."

If nations, with their conflicting interests of commerce and ambition, can meet upon the Christian ground of arbitration, certainly capital and labor whose hopes and destinies are so closely woven and allied, should manifest an equal spirit of fairness and conciliation.

Colorado is justly proud of its militia, which is surpassed in efficiency and character by no militia in the United States, yet in looking over the pay roll of the Leadville expedition there arises the question as to whether there is not a surplus of officers.

Paid officers from September 1 to Decem-

ber 10, 1896.....	\$28,967 90
Paid enlisted men	37,958 34

Our military pyramid seems to be standing on its apex—a little top-heavy. I do not mention these matters in a spirit of fault finding, as I, with every citizen of the state, appreciate fully the sacrifice and

patriotism of the young men who have made our militia an honor to themselves and to Colorado. I simply mention the apparent disproportion between cost of men and officers, in the hope that those in charge of our military organization and legislation might devise some change, either by consolidation of regiments, or otherwise, whereby the cost of commanding might be reduced without crippling the effectiveness of the service. At the same time, the pay of privates should be increased. Thirteen dollars per month while in active service is poor compensation, when we consider the high character of the young men who compose the militia and the sacrifice they make in personal and business interests when they obey the call of the state.

BANK EXAMINATIONS.

I repeat the suggestion of Gov. McIntire, that you create the office of bank examiner, and that every individual or corporation, doing a banking business must upon call, at least four times a year, make a full report to the state treasurer. This would be no intrusion upon private affairs, for when any concern invites the deposits of the people it becomes a public institution, and the state has no higher duty than to place every barrier of protection around the savings and earnings of its citizens. No strong, solvent bank should object to an exhibit of its condition.

Back of us there lie four years of disaster, and though lined with the wrecks of broken fortunes, they will prove but a school of training and strength for the years of material and intellectual dominion that lie before us.

If in the past you may read the future, then for Colorado there is a destiny as fair and proud as her most loyal son can desire.

In the history of American commonwealths, not one can point to such a record of growth as marks the twenty years of our state life.

It has been rich in material conquest, rich in manhood, rich in all of those elements that make for civilization.

Contrast the state of 1876 with that of 1896; it will make clear the marvelous growth of which most of you have been a part.

In 1876 there were 24,108 children of school age, now there are 125,599; the assessed valuation in 1877 was \$43,455,946, now it is five times as much; the total vote in 1876 was 19,482, now 188,373. Gov. Routt's first message and all state reports made one volume of 127 pages.

To-day there are but nine states in the Union that have a greater per capita wealth than Colorado, and four of these states are west of Colorado. Nine of the original thirteen states have a larger per capita debt (including state, county, school and municipal) than Colorado. There are seventeen states with a less assessment. There is not a state east of the Mississippi river that has not a larger per cent. of illiteracy. The raw product from the field, pasture and mine were, in 1896, \$75,000,000, perhaps the largest per capita of virgin wealth of any commonwealth in the world.

With many of the old states we can, with confidence, compare in all of the elements of statehood, yet they had garnered the sheaves of a hundred years

of achievement before our state life began. Their fields are worn or fallow, ours almost untouched; their industrial opportunities fully developed, ours scarcely started.

As a rule, we only value as an asset what can be weighed and measured, yet in our climate and scenery are values beyond many resources that have dimension and gravity.

Italy has little to attract the tourist but her climate, yet it brings millions of gold each year to her hungry treasury. Adam Smith said: "A good climate is the greatest resource a country can have." In addition to our granary of other resources, Colorado has a climate which for health, vigor and comfort, is not equaled by Italy or any other land. Some day this climate will be recognized as an asset as real and tangible as the product of field or mine.

The true foundation of our prosperity is our coal and iron, and our mines of gold and silver. It was gold and silver that gave Colorado to the world, and they remain the dominating factors in our prosperity. Legitimate mining is not an illusion, it is not a business of a day. Its permanence is illustrated in our oldest mines in Gilpin and Clear Creek counties. For thirty-five years the flow of gold and silver from these counties has been continuous and steady. The product has been many times more certain and regular than the cotton values from the fields of the south, or the wheat and corn from the prairies of the Mississippi valley. At the same time, the pay of those employed in the mines has been double the amount paid for labor in the great agricultural states.

In producing gold and silver we depress no industry, compete with no one, harm no one. Neither

are the products of our mines consumed with the passing year, but the gold and silver become a permanent, enduring contribution to the wealth of the world. These metals are the true life blood in the arteries of commerce. They are not the agents of a day, but through the centuries they perform their mission of happiness and prosperity. Given the yield and use of the precious metals, we can read the civilization of the age. Israel was but a nation of wandering tribes until her kings gathered the gold and silver of Ormus and Ind. We can note the ebb and flow of Roman greatness by the quantity of precious metals in the possession of the Roman people. When gold and silver were plenty, the spear of the soldier of Rome held the dominion of the world. When the mines failed and the holdings of precious metals declined and almost vanished, Rome and Europe went into the shadow of the dark ages. As true to-day as in antiquity is the possession of gold and silver the gauge of a nation's power and greatness.

As the greatest producer of these agents of civilization and power, Colorado is assured of a rich destiny of influence and independence. Colorado occupies a safe vantage ground, as she produces what other states do not. When the Rocky mountains cease to supply gold and silver, the stream dries up, and the commerce and finance of the nation are affected.

Little as the East appreciates the fact, it has been the gold and silver of the West that have kept our country stable. Had the mines closed during the days of war, had they ceased to yield in the days of resumption, the history of our country might have

been changed. Should they cease now to send their glittering millions into the avenues of trade, it would take a lurid brush to paint the disaster that would come to our finances. The East and the West need each other, but the West, especially Colorado, with all its diversified resources, can stand alone with less loss than any other section. Around our state might be circled Jefferson's sea of flame or John Adams' wall of brass, yet we could grow, prosper and be happy; but we want no seclusion, we have a sincere and an ardent welcome for all the world.

I am proud of Colorado. I am certain of her destiny, and have mentioned her resources as vouchers of my faith. I am confident that your ambition is the same that animates me, and together we will act only for the welfare and honor of Colorado.



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